

# Union Calendar No. 86

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1585

[Report No. 110-146]

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. SKELTON (for himself and Mr. HUNTER) (both by request) introduced the following bill; which was referred to the Committee on Armed Services

MAY 11, 2007

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on March 20, 2007]

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## A BILL

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “National Defense Au-*  
 3 *thorization Act for Fiscal Year 2008”.*

4 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**  
 5 **CONTENTS.**

6       (a) *DIVISIONS.*—*This Act is organized into three divi-*  
 7 *sions as follows:*

8           (1) *Division A—Department of Defense Author-*  
 9 *izations.*

10          (2) *Division B—Military Construction Author-*  
 11 *izations.*

12          (3) *Division C—Department of Energy National*  
 13 *Security Authorizations and Other Authorizations.*

14       (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 15 *this Act is as follows:*

*Sec. 1. Short title.*

*Sec. 2. Organization of Act into divisions; table of contents.*

*Sec. 3. Congressional defense committees.*

**DIVISION A—DEPARTMENT OF DEFENSE**  
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**TITLE I—PROCUREMENT**

*Subtitle A—Authorization of Appropriations*

*Sec. 101. Army.*

*Sec. 102. Navy and Marine Corps.*

*Sec. 103. Air Force.*

*Sec. 104. Defense-wide activities.*

*Sec. 105. National Guard and Reserve equipment.*

*Subtitle B—Army Programs*

*Sec. 111. Multiyear procurement authority for M1A2 Abrams System Enhance-*  
*ment Package vehicles.*

*Sec. 112. Multiyear procurement authority for M2A3 Bradley Fighting Vehicles,*  
*M3A3 Cavalry Fighting Vehicles, and M2A3 Bradley Fire Sup-*  
*port Team Vehicles.*

- Sec. 113. Multiyear procurement authority for conversion of CH-47D helicopters to CH-47F configuration.*
- Sec. 114. Multiyear procurement authority for CH-47F helicopters.*
- Sec. 115. Limitation on use of funds for Joint Network Node program pending certification to Congress.*
- Sec. 116. Prohibition on closure of Army Tactical Missile System production line pending report.*

*Subtitle C—Navy Programs*

- Sec. 121. Authority to transfer funds for submarine engineered refueling overhauls and conversions and for aircraft carrier refueling complex overhauls.*
- Sec. 122. Multiyear procurement authority for Virginia-class submarine program.*
- Sec. 123. Limitation on final assembly of VH-71 Presidential transport helicopters.*
- Sec. 124. Limitation on operational deployment of weapons system that uses Trident missiles converted to carry conventional payloads.*
- Sec. 125. Program to provide contractors with capital expenditure incentives.*
- Sec. 126. Limitation on use of shipbuilding and conversion, Navy, funds for employment of nonimmigrant workers.*
- Sec. 127. Limitation on concurrent design and construction on first ship of a shipbuilding program.*

*Subtitle D—Air Force Programs*

- Sec. 131. Limitation on retiring C-5 aircraft.*
- Sec. 132. Limitation on Joint Cargo Aircraft.*
- Sec. 133. Clarification of limitation on retirement of U-2 aircraft.*
- Sec. 134. Repeal of requirement to maintain retired C-130E tactical airlift aircraft.*

**TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

*Subtitle A—Authorization of Appropriations*

- Sec. 201. Authorization of appropriations.*
- Sec. 202. Amount for defense science and technology.*

*Subtitle B—Program Requirements, Restrictions, and Limitations*

- Sec. 211. Operational test and evaluation of Future Combat Systems network.*
- Sec. 212. Limitation on systems development and demonstration of Joint Light Tactical Vehicle program.*
- Sec. 213. Requirement to obligate funds for development and procurement of a competitive propulsion system for the Joint Strike Fighter.*
- Sec. 214. Limitation on use of funds for manufacturing science and technology program.*

*Subtitle C—Ballistic Missile Defense*

- Sec. 221. Oversight of Missile Defense Agency programs by Director of Operational Test and Evaluation.*
- Sec. 222. Fielding of ballistic missile defense capabilities and future roles and missions of Missile Defense Agency.*
- Sec. 223. Limitation on use of funds for replacing warhead on SM-3 Block IIA missile.*

- Sec. 224. Two-year extension of Comptroller General assessments of ballistic missile defense programs.*
- Sec. 225. Independent study on deploying missile defense system in Europe.*
- Sec. 226. Sense of Congress concerning full support for development and fielding of a layered ballistic missile defense.*

*Subtitle D—Other Matters*

- Sec. 231. Responsibility for human systems integration activities.*
- Sec. 232. Expansion of authority for encouragement of technology transfer.*
- Sec. 233. Army Venture Capital Fund demonstration.*
- Sec. 234. Independent tests for combat helmet pad suspension systems.*
- Sec. 235. Report on implementation of Manufacturing Technology Program.*
- Sec. 236. Assessment of sufficiency of test and evaluation personnel.*
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- Sec. 302. Working capital funds.*
- Sec. 303. Other Department of Defense Programs.*

*Subtitle B—Environmental Provisions*

- Sec. 311. Reimbursement of Environmental Protection Agency for certain costs in connection with Moses Lake Wellfield Superfund Site, Moses Lake, Washington.*
- Sec. 312. Reimbursement of Environmental Protection Agency for certain costs in connection with Arctic Surplus Superfund Site, Fairbanks, Alaska.*
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- Sec. 321. Increase in threshold amount for contracts for procurement of capital assets in advance of availability of working-capital funds for the procurement.*
- Sec. 322. Authorization of availability of working-capital funds for certain product improvements.*
- Sec. 323. Authorization of use of working-capital funds for acquisition of certain items.*
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- Sec. 325. Public-private competition at end of period specified in performance agreement not required.*
- Sec. 326. Guidelines on insourcing new and contracted out functions.*
- Sec. 327. Additional requirements for annual report on public-private competitions.*
- Sec. 328. Restriction on Office of Management and Budget influence over Department of Defense public-private competitions.*
- Sec. 329. Bid Protests by Federal Employees in actions under Office of Management Budget Circular A-76.*

*Sec. 330. Public-private competition required before conversion to contractor performance.*

*Subtitle D—Extension of Program Authorities*

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*Sec. 332. Extension of period for reimbursement for helmet pads purchased by members of the Armed Forces deployed in contingency operations.*

*Subtitle E—Reports*

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*Sec. 342. Plan to improve readiness of active and reserve component ground forces.*

*Sec. 343. Plan for optimal use of strategic ports by commander of Surface Distribution and Deployment Command.*

*Sec. 344. Independent assessment of Civil Reserve Air Fleet viability.*

*Sec. 345. Annual report on prepositioned materiel and equipment.*

*Sec. 346. Conditions on relocation of North American Aerospace Defense command center and related functions from Cheyenne Mountain to Peterson Air Force Base.*

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*Sec. 353. Reasonable restrictions on payment of full replacement value for lost or damaged personal property transported at Government expense.*

*Sec. 354. Priority transportation on Department of Defense aircraft of retired members residing in Commonwealths and possessions of the United States for certain health care services.*

*Sec. 355. Recovery of missing military property.*

*Sec. 356. Retention of Army combat uniforms by members of Army deployed in support of contingency operations.*

*Sec. 357. Issue of serviceable material other than to Armed Forces.*

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*Sec. 359. Limitation on expenditure of funds for initial flight screening at Pueblo Memorial Airport.*

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*Sec. 402. Revision in permanent active duty end strength minimum levels.*

*Sec. 403. Additional authority for increases of Army and Marine Corps active duty end strengths for fiscal years 2009 and 2010.*

*Sec. 404. Increase in authorized strengths for Army officers on active duty in the grade of major.*

*Sec. 405. Increase in authorized strengths for Navy officers on active duty in the grades of lieutenant commander, commander, and captain.*

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*Sec. 412. End strengths for Reserves on active duty in support of the reserves.*  
*Sec. 413. End strengths for military technicians (dual status).*  
*Sec. 414. Fiscal year 2008 limitation on number of non-dual status technicians.*  
*Sec. 415. Maximum number of reserve personnel authorized to be on active duty for operational support.*  
*Sec. 416. Future authorizations and accounting for certain reserve component personnel authorized to be on active duty or full-time National Guard duty to provide operational support.*  
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- Sec. 574. Combat veterans mentoring program for current members of the Armed Forces.*

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*Sec. 1302. Funding allocations.*  
*Sec. 1303. New initiatives for the Cooperative Threat Reduction Program.*  
*Sec. 1304. Requirements relating to chemical weapons destruction at Shchuch'ye, Russia.*  
*Sec. 1305. Repeal of restrictions on Cooperative Threat Reduction Program.*  
*Sec. 1306. Authority to use Cooperative Threat Reduction funds outside the former Soviet Union.*

**TITLE XIV—WOUNDED WARRIOR ASSISTANCE**

*Sec. 1401. Definitions.*

*Subtitle A—Improved Assistance for Wounded Warriors*

- Sec. 1411. Improvements to medical and dental care for members of the Armed Forces assigned to hospitals in an outpatient status.*  
*Sec. 1412. Establishment of a Department of Defense-wide Ombudsman Office.*  
*Sec. 1413. Establishment of toll-free hot line for reporting deficiencies in medical-related support facilities and expedited response to reports of deficiencies.*  
*Sec. 1414. Notification to Congress of hospitalization of combat wounded service members.*  
*Sec. 1415. Independent medical advocate for members before medical evaluation boards.*  
*Sec. 1416. Training and workload for physical evaluation board liaison officers.*  
*Sec. 1417. Standardized training program and curriculum for Department of Defense disability evaluation system.*  
*Sec. 1418. Improved training for health care professionals, medical care case managers, and service member advocates on particular conditions of recovering service members.*  
*Sec. 1419. Pilot program to establish an Army Wounded Warrior Battalion at an appropriate active duty base.*  
*Sec. 1420. Criteria for removal of member from temporary disability retired list.*  
*Sec. 1421. Improved transition of members of the Armed Forces to Department of Veterans Affairs upon retirement or separation.*  
*Sec. 1422. Establishment of Medical Support Fund for support of members of the Armed Forces returning to military service or civilian life.*  
*Sec. 1423. Oversight Board for Wounded Warriors.*  
*Sec. 1424. Option for members of reserve components to use military medical treatment facilities closest to home for certain injuries.*  
*Sec. 1425. Plans and research for reducing post traumatic stress disorder.*

*Subtitle B—Studies and Reports*

- Sec. 1431. Annual report on military medical facilities.*  
*Sec. 1432. Access of recovering service members to adequate outpatient residential facilities.*  
*Sec. 1433. Evaluation and report on Department of Defense and Department of Veterans Affairs disability evaluation systems.*

- Sec. 1434. Study and report on support services for families of recovering service members.*
- Sec. 1435. Report on traumatic brain injury classifications.*
- Sec. 1436. Evaluation of the Polytrauma Liaison Officer/Non-Commissioned Officer Program.*
- Sec. 1437. Study and report on standard soldier patient tracking system.*
- Sec. 1438. Study and report on waiting periods for appointments at Department of Veterans Affairs medical facilities.*

*Subtitle C—General Provisions*

- Sec. 1451. Moratorium on conversion to contractor performance of Department of Defense functions at military medical facilities.*
- Sec. 1452. Prohibition on transfer of resources from medical care.*
- Sec. 1453. Increase in physicians at hospitals of the Department of Veterans Affairs.*

**TITLE XV—AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM**

- Sec. 1501. Purpose and statement of congressional policy.*
- Sec. 1502. Army procurement.*
- Sec. 1503. Navy and Marine Corps procurement.*
- Sec. 1504. Air Force procurement.*
- Sec. 1505. Joint Improvised Explosive Device Defeat Fund.*
- Sec. 1506. Defense-wide activities procurement.*
- Sec. 1507. Research, development, test, and evaluation.*
- Sec. 1508. Operation and maintenance.*
- Sec. 1509. Working capital funds.*
- Sec. 1510. Other Department of Defense programs.*
- Sec. 1511. Iraq Freedom Fund.*
- Sec. 1512. Iraq Security Forces Fund.*
- Sec. 1513. Afghanistan Security Forces Fund.*
- Sec. 1514. Military personnel.*
- Sec. 1515. Authorized Army construction and land acquisition projects.*
- Sec. 1516. Authorized Navy construction and land acquisition projects.*
- Sec. 1517. Treatment as additional authorizations.*

**TITLE XVI—NATIONAL GUARD ENHANCEMENT**

- Sec. 1601. Short title.*

*Subtitle A—National Guard Bureau*

- Sec. 1611. Enhancement of duties and position of Chief of the National Guard Bureau.*
- Sec. 1612. Establishment of National Guard Bureau as joint activity of Department of Defense.*
- Sec. 1613. Enhancement of functions of National Guard Bureau.*
- Sec. 1614. Requirement for Secretary of Defense to prepare annual plan for response to natural disasters and terrorist events.*
- Sec. 1615. Determination of Department of Defense civil support requirements.*
- Sec. 1616. Conforming and clerical amendments.*

*Subtitle B—Additional Reserve Component Enhancement*

- Sec. 1621. United States Northern Command.*  
*Sec. 1622. Council of Governors.*  
*Sec. 1623. Reserve Policy Board.*  
*Sec. 1624. Requirements for certain high-level positions to be held by reserve component general or flag officers.*  
*Sec. 1625. Retirement age and years of service limitations on certain reserve general and flag officers.*  
*Sec. 1626. Additional reporting requirements relating to National Guard equipment.*

**TITLE XVII—DEFENSE READINESS PRODUCTION BOARD**

- Sec. 1701. Purpose.*  
*Sec. 1702. Establishment of Defense Readiness Production Board.*  
*Sec. 1703. Defense Production Industry Advisory Council.*  
*Sec. 1704. Role of Chairman of Board in certain reporting processes.*  
*Sec. 1705. Authority to use multiyear contracts.*  
*Sec. 1706. Transfer authority.*  
*Sec. 1707. Special authority for use of working capital funds for critical readiness requirements.*  
*Sec. 1708. Strategic Readiness Fund.*

**DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS**

- Sec. 2001. Short title.*

**TITLE XXI—ARMY**

- Sec. 2101. Authorized Army construction and land acquisition projects.*  
*Sec. 2102. Family housing.*  
*Sec. 2103. Improvements to military family housing units.*  
*Sec. 2104. Authorization of appropriations, Army.*  
*Sec. 2105. Modification of authority to carry out certain fiscal year 2006 project.*

**TITLE XXII—NAVY**

- Sec. 2201. Authorized Navy construction and land acquisition projects.*  
*Sec. 2202. Family housing.*  
*Sec. 2203. Improvements to military family housing units.*  
*Sec. 2204. Authorization of appropriations, Navy.*  
*Sec. 2205. Repeal of authorization for construction of Navy Outlying Landing Field, Washington County, North Carolina.*

**TITLE XXIII—AIR FORCE**

- Sec. 2301. Authorized Air Force construction and land acquisition projects.*  
*Sec. 2302. Family housing.*  
*Sec. 2303. Improvements to military family housing units.*  
*Sec. 2304. Authorization of appropriations, Air Force.*  
*Sec. 2305. Modification of authority to carry out certain fiscal year 2006 project.*

**TITLE XXIV—DEFENSE AGENCIES**

- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.*  
*Sec. 2402. Energy conservation projects.*

- Sec. 2403. Authorized base closure and realignment activities funded through Department of Defense Base Closure Account 2005.*
- Sec. 2404. Authorization of appropriations, Defense Agencies.*

**TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION  
SECURITY INVESTMENT PROGRAM**

- Sec. 2501. Authorized NATO construction and land acquisition projects.*
- Sec. 2502. Authorization of appropriations, NATO.*

**TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES**

- Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.*

**TITLE XXVII—EXPIRATION AND EXTENSION OF  
AUTHORIZATIONS**

- Sec. 2701. Expiration of authorizations and amounts required to be specified by law.*
- Sec. 2702. Extension of authorizations of certain fiscal year 2005 projects.*
- Sec. 2703. Extension of authorizations of certain fiscal year 2004 projects.*
- Sec. 2704. Effective date.*

**TITLE XXVIII—MILITARY CONSTRUCTION GENERAL  
PROVISIONS**

*Subtitle A—Military Construction Program and Military Family Housing  
Changes*

- Sec. 2801. Temporary authority to support revitalization of Department of Defense laboratories through unspecified minor military construction projects.*
- Sec. 2802. Increased threshold for congressional notification of leases for military family housing facilities in foreign countries.*
- Sec. 2803. Limitation on use of alternative authority for acquisition and improvement of military housing for privatization of temporary lodging facilities.*
- Sec. 2804. Expansion of authority to exchange reserve component facilities.*
- Sec. 2805. Extension of authority to accept cash equalization payments for reserve component facility exchanges.*
- Sec. 2806. Authority to use operation and maintenance funds for construction projects outside the United States.*

*Subtitle B—Real Property and Facilities Administration*

- Sec. 2811. Continued consolidation of real property provisions without substantive change.*
- Sec. 2812. Cooperative agreement authority for management of cultural resources on certain sites outside military installations.*
- Sec. 2813. Agreements to limit encroachments and other constraints on military training, testing, and operations.*
- Sec. 2814. Expansion to all military departments of Army pilot program for purchase of certain municipal services for military installations.*
- Sec. 2815. Retention of proceeds from enhanced use leases at Selfridge Air National Guard Base.*
- Sec. 2816. Prohibition on commercial flights into Selfridge Air National Guard Base.*

*Subtitle C—Base Closure and Realignment*

*Sec. 2821. Transfer of funds from Department of Defense Base Closure Account 2005 to Department of Defense Housing Funds.*

*Subtitle D—Land Conveyances*

*Sec. 2831. Conditions on acquisition of land for expansion of Pinon Canyon Maneuver Site, Colorado.*

*Sec. 2832. Grant of easement, Eglin Air Force Base, Florida.*

*Sec. 2833. Land conveyance, Lynn Haven Fuel Depot, Lynn Haven, Florida.*

*Sec. 2834. Additional conditions on lease of property for headquarters facility for United States Southern Command, Florida.*

*Sec. 2835. Transfer of jurisdiction, former Nike missile site, Grosse Isle, Michigan.*

*Sec. 2836. Land Exchange, Fort Hood, Texas.*

*Sec. 2837. Exchange of jurisdiction over real property involving Fort Belvoir, Virginia.*

*Sec. 2838. Modification of conveyance authority, Marine Corps Base, Camp Pendleton, California.*

*Subtitle E—Energy Security*

*Sec. 2851. Repeal of congressional notification requirement regarding cancellation ceiling for Department of Defense energy savings performance contracts.*

*Sec. 2852. Report on opportunities for leveraging funds of the Department of Defense and States to prevent disruption in event of electric grid or pipeline failures.*

*Subtitle F—Other Matters*

*Sec. 2861. Revised deadline for transfer of Arlington Naval Annex to Arlington National Cemetery.*

*Sec. 2862. Transfer of jurisdiction over Air Force Memorial to Department of the Air Force.*

*Sec. 2863. Establishment of national military working dog teams monument on suitable military installation.*

*Sec. 2864. Naming housing facility at Fort Carson, Colorado, in honor of the Honorable Joel Hefley, a former member of the United States House of Representatives.*

*Sec. 2865. Naming Navy and Marine Corps Reserve Center at Rock Island, Illinois, in honor of the Honorable Lane Evans, a former member of the United States House of Representatives.*

*Sec. 2866. Naming of research laboratory at Air Force Rome Research Site, Rome, New York, in honor of the Honorable Sherwood L. Boehlert, a former member of the United States House of Representatives.*

*Sec. 2867. Naming of administration building at Joint Systems Manufacturing Center, Lima, Ohio, in honor of the Honorable Michael G. Oxley, a former member of the United States House of Representatives.*

*Sec. 2868. Naming of Logistics Automation Training Facility, Army Quartermaster Center and School, Fort Lee, Virginia, in honor of General Richard H. Thompson.*

***DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS***

***TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS***

*Subtitle A—National Security Programs Authorizations*

*Sec. 3101. National Nuclear Security Administration.*  
*Sec. 3102. Defense environmental cleanup.*  
*Sec. 3103. Other defense activities.*  
*Sec. 3104. Defense nuclear waste disposal.*

*Subtitle B—Program Authorizations, Restrictions, and Limitations*

*Sec. 3111. Study on using existing pits for the Reliable Replacement Warhead program.*  
*Sec. 3112. National Nuclear Security Administration study on nuclear weapons complex protective forces.*  
*Sec. 3113. Report on retirement and dismantlement of nuclear warheads.*  
*Sec. 3114. Assessment of security risks posed to nuclear weapons complex.*  
*Sec. 3115. Department of Energy report on plan to strengthen and expand International Radiological Threat Reduction program.*  
*Sec. 3116. Department of Energy report on plan to strengthen and expand Materials Protection, Control, and Accounting program.*  
*Sec. 3117. Authority to use International Nuclear Materials Protection and Cooperation program funds outside the former Soviet Union.*  
*Sec. 3118. Increased authority for ombudsman under Energy Employees Occupational Illness Compensation Program.*

***TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD***

*Sec. 3201. Authorization.*

***TITLE XXXIII—NATIONAL DEFENSE STOCKPILE***

*Sec. 3301. Authorized uses of National Defense Stockpile funds.*  
*Sec. 3302. Revisions to required receipt objectives for previously authorized disposals from the national defense stockpile.*

***TITLE XXXIV—NAVAL PETROLEUM RESERVES***

*Sec. 3401. Authorization of appropriations.*

***TITLE XXXV—MARITIME ADMINISTRATION***

*Sec. 3501. Authorization of appropriations for fiscal year 2008.*  
*Sec. 3502. Temporary authority to transfer obsolete combatant vessels to Navy for disposal.*

1 **SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES.**

2 *For purposes of this Act, the term “congressional de-*  
 3 *fense committees” has the meaning given that term in sec-*  
 4 *tion 101(a)(16) of title 10, United States Code.*

5 **DIVISION A—DEPARTMENT OF**  
 6 **DEFENSE AUTHORIZATIONS**  
 7 **TITLE I—PROCUREMENT**

*Subtitle A—Authorization of Appropriations*

- Sec. 101. Army.*  
*Sec. 102. Navy and Marine Corps.*  
*Sec. 103. Air Force.*  
*Sec. 104. Defense-wide activities.*  
*Sec. 105. National Guard and Reserve equipment.*

*Subtitle B—Army Programs*

- Sec. 111. Multiyear procurement authority for M1A2 Abrams System Enhancement Package vehicles.*  
*Sec. 112. Multiyear procurement authority for M2A3 Bradley Fighting Vehicles, M3A3 Cavalry Fighting Vehicles, and M2A3 Bradley Fire Support Team Vehicles.*  
*Sec. 113. Multiyear procurement authority for conversion of CH-47D helicopters to CH-47F configuration.*  
*Sec. 114. Multiyear procurement authority for CH-47F helicopters.*  
*Sec. 115. Limitation on use of funds for Joint Network Node program pending certification to Congress.*  
*Sec. 116. Prohibition on closure of Army Tactical Missile System production line pending report.*

*Subtitle C—Navy Programs*

- Sec. 121. Authority to transfer funds for submarine engineered refueling overhauls and conversions and for aircraft carrier refueling complex overhauls.*  
*Sec. 122. Multiyear procurement authority for Virginia-class submarine program.*  
*Sec. 123. Limitation on final assembly of VH-71 Presidential transport helicopters.*  
*Sec. 124. Limitation on operational deployment of weapons system that uses Trident missiles converted to carry conventional payloads.*  
*Sec. 125. Program to provide contractors with capital expenditure incentives.*  
*Sec. 126. Limitation on use of shipbuilding and conversion, Navy, funds for employment of nonimmigrant workers.*  
*Sec. 127. Limitation on concurrent design and construction on first ship of a shipbuilding program.*

*Subtitle D—Air Force Programs*

- Sec. 131. Limitation on retiring C-5 aircraft.*

*Sec. 132. Limitation on Joint Cargo Aircraft.*

*Sec. 133. Clarification of limitation on retirement of U-2 aircraft.*

*Sec. 134. Repeal of requirement to maintain retired C-130E tactical airlift aircraft.*

1                   ***Subtitle A—Authorization of***  
2   ***Appropriations***

3   ***SEC. 101. ARMY.***

4           *Funds are hereby authorized to be appropriated for fis-*  
5 *cal year 2008 for procurement for the Army as follows:*

6                   (1) *For aircraft, \$3,928,139,000.*

7                   (2) *For missiles, \$2,114,902,000.*

8                   (3) *For weapons and tracked combat vehicles,*  
9 *\$3,311,117,000.*

10                  (4) *For ammunition, \$2,238,176,000.*

11                  (5) *For other procurement, \$11,465,456,000.*

12                  (6) *For the Joint Improvised Explosive Device*  
13 *Defeat Fund, \$500,000,000.*

14   ***SEC. 102. NAVY AND MARINE CORPS.***

15           (a) *NAVY.—Funds are hereby authorized to be appro-*  
16 *priated for fiscal year 2008 for procurement for the Navy*  
17 *as follows:*

18                   (1) *For aircraft, \$12,750,767,000.*

19                   (2) *For weapons, including missiles and tor-*  
20 *pedoes, \$3,058,387,000.*

21                   (3) *For shipbuilding and conversion,*  
22 *\$15,744,120,000.*

23                   (4) *For other procurement, \$5,443,612,000.*

1       (b) *MARINE CORPS.*—Funds are hereby authorized to  
2 be appropriated for fiscal year 2008 for procurement for  
3 the Marine Corps in the amount of \$2,580,257,000.

4       (c) *NAVY AND MARINE CORPS AMMUNITION.*—Funds  
5 are hereby authorized to be appropriated for fiscal year  
6 2008 for procurement of ammunition for the Navy and the  
7 Marine Corps in the amount of \$1,060,484,000.

8 **SEC. 103. AIR FORCE.**

9       Funds are hereby authorized to be appropriated for fis-  
10 cal year 2008 for procurement for the Air Force as follows:

11           (1) For aircraft, \$12,356,270,000.

12           (2) For ammunition, \$868,917,000.

13           (3) For missiles, \$5,138,002,000.

14           (4) For other procurement, \$15,441,762,000.

15 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

16       Funds are hereby authorized to be appropriated for fis-  
17 cal year 2008 for Defense-wide procurement in the amount  
18 of \$3,537,834,000.

19 **SEC. 105. NATIONAL GUARD AND RESERVE EQUIPMENT.**

20       Funds are hereby authorized to be appropriated for fis-  
21 cal year 2008 for the procurement of aircraft, missiles,  
22 wheeled and tracked combat vehicles, tactical wheeled vehi-  
23 cles, ammunition, other weapons, and other procurement  
24 for the reserve components of the Armed Forces in the  
25 amount of \$1,131,850,000.

1           **Subtitle B—Army Programs**

2   **SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR**  
3                   **M1A2 ABRAMS SYSTEM ENHANCEMENT PACK-**  
4                   **AGE VEHICLES.**

5           (a) *AUTHORITY.*—*The Secretary of the Army may, in*  
6 *accordance with section 2306b of title 10, United States*  
7 *Code, enter into a multiyear contract, beginning with the*  
8 *fiscal year 2008 program year, for procurement of M1A2*  
9 *Abrams System Enhancement Package vehicles.*

10          (b) *LIMITATION ON TERM OF CONTRACT.*—*Notwith-*  
11 *standing subsection (k) of section 2306b of title 10, United*  
12 *States Code, a contract under this section may not be for*  
13 *a period in excess of five program years.*

14   **SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR**  
15                   **M2A3 BRADLEY FIGHTING VEHICLES, M3A3**  
16                   **CAVALRY FIGHTING VEHICLES, AND M2A3**  
17                   **BRADLEY FIRE SUPPORT TEAM VEHICLES.**

18          (a) *AUTHORITY.*—*The Secretary of the Army may, in*  
19 *accordance with section 2306b of title 10, United States*  
20 *Code, enter into a multiyear contract, beginning with the*  
21 *fiscal year 2008 program year, for procurement of M2A3*  
22 *Bradley Fighting Vehicles, M3A3 Cavalry Fighting Vehi-*  
23 *cles, and M2A3 Bradley Fire Support Team Vehicles.*

24          (b) *LIMITATION ON TERM OF CONTRACT.*—*Notwith-*  
25 *standing subsection (k) of section 2306b of title 10, United*

1 *States Code, a contract under this section may not be for*  
2 *a period in excess of four program years.*

3 **SEC. 113. MULTIYEAR PROCUREMENT AUTHORITY FOR**  
4 **CONVERSION OF CH-47D HELICOPTERS TO**  
5 **CH-47F CONFIGURATION.**

6 (a) *AUTHORITY.*—*The Secretary of the Army may, in*  
7 *accordance with section 2306b of title 10, United States*  
8 *Code, enter into a multiyear contract, beginning with the*  
9 *fiscal year 2008 program year, for conversion of CH-47D*  
10 *helicopters to the CH-47F configuration.*

11 (b) *LIMITATION ON TERM OF CONTRACT.*—*Notwith-*  
12 *standing subsection (k) of section 2306b of title 10, United*  
13 *States Code, a contract under this section may not be for*  
14 *a period in excess of five program years.*

15 **SEC. 114. MULTIYEAR PROCUREMENT AUTHORITY FOR CH-**  
16 **47F HELICOPTERS.**

17 (a) *AUTHORITY.*—*The Secretary of the Army may, in*  
18 *accordance with section 2306b of title 10, United States*  
19 *Code, enter into a multiyear contract, beginning with the*  
20 *fiscal year 2008 program year, for procurement of CH-47F*  
21 *helicopters.*

22 (b) *LIMITATION ON TERM OF CONTRACT.*—*Notwith-*  
23 *standing subsection (k) of section 2306b of title 10, United*  
24 *States Code, a contract under this section may not be for*  
25 *a period in excess of five program years.*

1 **SEC. 115. LIMITATION ON USE OF FUNDS FOR JOINT NET-**  
2 **WORK NODE PROGRAM PENDING CERTIFI-**  
3 **CATION TO CONGRESS.**

4 *Of the amounts authorized to be appropriated for fiscal*  
5 *year 2008 for Other Procurement, Army, that are available*  
6 *for the Joint Network Node program, not more than 50 per-*  
7 *cent may be obligated or expended until the Secretary of*  
8 *the Army submits to the congressional defense committees*  
9 *the Secretary's certification, in writing, that—*

10 *(1) the Joint Network Node program is a pro-*  
11 *gram of record in accordance with Department of De-*  
12 *fense Instruction 5000.2, "Operation of the Defense*  
13 *Acquisition System", dated May 12, 2003;*

14 *(2) the Director of Operational Test and Evalua-*  
15 *tion has approved a plan for an operational test and*  
16 *evaluation of the Joint Network Node system; and*

17 *(3) the Army plans to procure all future lots of*  
18 *equipment for the Joint Network Node program*  
19 *through a competitive bid process.*

20 **SEC. 116. PROHIBITION ON CLOSURE OF ARMY TACTICAL**  
21 **MISSILE SYSTEM PRODUCTION LINE PEND-**  
22 **ING REPORT.**

23 *(a) PROHIBITION.—Amounts appropriated pursuant*  
24 *to the authorization of appropriations in section 101(2) for*  
25 *missiles, Army, and in section 1502(4) for missile procure-*  
26 *ment, Army, and any other appropriated funds available*

1 *to the Secretary of the Army may not be used to commence,*  
2 *continue, or complete the closure of the production line for*  
3 *the Army Tactical Missile System program until at least*  
4 *120 days after the date on which the Secretary of the Army*  
5 *submits to the congressional defense committees a report*  
6 *that contains—*

7           (1) *the certification of the Secretary that the long*  
8 *range surface-to-surface strike and counter battery*  
9 *mission of the Army can be adequately performed by*  
10 *other elements of the Armed Forces;*

11           (2) *a plan to mitigate any shortfalls in the in-*  
12 *dustrial base that would be created by the closure of*  
13 *the production line; and*

14           (3) *a plan to replace the Army's capability to*  
15 *perform long range surface-to-surface strike and*  
16 *counter battery missions.*

17           (b) *SUBMISSION OF REPORT.—The report referred to*  
18 *in subsection (a) is required not later than April 1, 2008.*

1           **Subtitle C—Navy Programs**

2   **SEC. 121. AUTHORITY TO TRANSFER FUNDS FOR SUB-**  
3           **MARINE ENGINEERED REFUELING OVER-**  
4           **HAULS AND CONVERSIONS AND FOR AIR-**  
5           **CRAFT CARRIER REFUELING COMPLEX OVER-**  
6           **HAULS.**

7           (a) *IN GENERAL.*—Chapter 633 of title 10, United  
8   States Code, is amended by adding at the end the following:

9   “§ 7317. *Transfer of funds for submarine engineered*  
10           *refueling overhauls and conversions and*  
11           *for aircraft carrier refueling complex*  
12           *overhauls*

13           “(a) *AUTHORITY.*—From amounts made available to  
14   the Department of Defense for fiscal year 2008 or any fiscal  
15   year thereafter, the Secretary of Defense may transfer, to  
16   the account for procurement, Navy, for shipbuilding and  
17   conversion, such amounts as the Secretary determines nec-  
18   essary to cover the costs of submarine engineered refueling  
19   overhauls and conversions or aircraft carrier refueling com-  
20   plex overhauls. Amounts so transferred shall be merged with  
21   and be available for the same purposes and for the same  
22   time period as the appropriation to which transferred. This  
23   transfer authority is in addition to any other transfer au-  
24   thority available to the Secretary.

1       “(b) *DETERMINATION.*—*The authority under this sec-*  
 2 *tion may be exercised only where the Secretary determines*  
 3 *that the transfer of funds is required because of the dis-*  
 4 *covery, during the overhaul or conversion concerned, of un-*  
 5 *anticipated and emergent maintenance or repair.*

6       “(c) *NOTIFICATION.*—*A transfer may be made under*  
 7 *this section if—*

8               “(1) *the Secretary determines that the overhaul*  
 9 *or conversion concerned can be completed, so as to re-*  
 10 *turn the submarine or aircraft carrier to a full oper-*  
 11 *ational status, with that transfer; and*

12               “(2) *the Secretary submits to the congressional*  
 13 *defense committees a written notification of the deter-*  
 14 *mination required by subsection (b) and the deter-*  
 15 *mination required by paragraph (1), together with*  
 16 *explanations of the basis for each such determination.*

17       “(d) *LIMITATION OF \$20,000,000.*—*An overhaul or*  
 18 *conversion may receive one or more transfers under this sec-*  
 19 *tion, but may not receive more than \$20,000,000 in such*  
 20 *transfers, regardless of fiscal year.”.*

21       “(b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 22 *the beginning of such chapter is amended by adding at the*  
 23 *end the following new item:*

“7317. *Transfer of funds for submarine engineered refueling overhauls and conver-*  
*sions and for aircraft carrier refueling complex overhauls.”.*

1 **SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR VIR-**  
2 **GINIA-CLASS SUBMARINE PROGRAM.**

3 (a) *AUTHORITY.*—*The Secretary of the Navy may, in*  
4 *accordance with section 2306b of title 10, United States*  
5 *Code, enter into multiyear contracts, beginning with the fis-*  
6 *cal year 2008 program year, for the procurement of Vir-*  
7 *ginia-class submarines and Government-furnished equip-*  
8 *ment associated with the Virginia-class submarine pro-*  
9 *gram.*

10 (b) *LIMITATION.*—*The Secretary may not enter into*  
11 *a contract authorized by subsection (a) until—*

12 (1) *the Secretary submits to the congressional de-*  
13 *fense committees a certification that the Secretary has*  
14 *made, with respect to that contract, each of the find-*  
15 *ings required by subsection (a) of section 2306(b) of*  
16 *title 10, United States Code; and*

17 (2) *a period of 30 days has elapsed after the date*  
18 *of the transmission of such certification.*

19 **SEC. 123. LIMITATION ON FINAL ASSEMBLY OF VH-71 PRESI-**  
20 **DENTIAL TRANSPORT HELICOPTERS.**

21 (a) *IN GENERAL.*—*No funds appropriated pursuant to*  
22 *an authorization of appropriations or otherwise made*  
23 *available for aircraft procurement, Navy, may be obligated*  
24 *or expended for the final assembly of more than five VH-*  
25 *71 Presidential transport helicopters.*

1           (b) *EXCEPTION.*—*The limitation in subsection (a) does*  
2 *not apply to a helicopter if the final assembly of the heli-*  
3 *copter is carried out in the United States.*

4 **SEC. 124. LIMITATION ON OPERATIONAL DEPLOYMENT OF**  
5 **WEAPONS SYSTEM THAT USES TRIDENT MIS-**  
6 **SILES CONVERTED TO CARRY CONVEN-**  
7 **TIONAL PAYLOADS.**

8           (a) *LIMITATION.*—*No funds appropriated or otherwise*  
9 *available to the Department of Defense for fiscal year 2008*  
10 *may be obligated or expended for operational deployment*  
11 *of a weapons system that uses Trident missiles converted*  
12 *to carry conventional payloads.*

13           (b) *NOTIFICATION.*—*Within 30 days after the date on*  
14 *which the Secretary of Defense determines that the weapons*  
15 *system referred to in subsection (a) is fully functional and*  
16 *that fielding the weapons system is necessary to meet mili-*  
17 *tary requirements, the Secretary shall submit to the con-*  
18 *gressional defense committees notification, in writing, of*  
19 *that determination.*

20 **SEC. 125. PROGRAM TO PROVIDE CONTRACTORS WITH CAP-**  
21 **ITAL EXPENDITURE INCENTIVES.**

22           (a) *IN GENERAL.*—*From amounts made available for*  
23 *procurement, Navy, for shipbuilding and conversion, for fis-*  
24 *cal year 2008 or any fiscal year thereafter, the Secretary*  
25 *of the Navy may carry out a program under which the Sec-*

1 *retary provides contractors with capital expenditure incen-*  
2 *tives to support investment in facilities and process im-*  
3 *provements for current and future Navy vessel construction*  
4 *contracts.*

5       **(b) USE OF FUNDS.**—*Amounts provided to a con-*  
6 *tractor under the program may be used for improvements*  
7 *that benefit any one or more of the shipbuilding programs*  
8 *in the contractor's facilities.*

9       **(c) ANALYSIS REQUIRED.**—*Amounts may be provided*  
10 *to a contractor under the program only if the contractor*  
11 *presents a proposal containing a fully supported analysis*  
12 *that demonstrates that the investment would lead to ship*  
13 *construction or life cycle savings to the Federal Government*  
14 *by—*

15           (1) *improvements in design, material, tech-*  
16 *nology, or manufacturing process;*

17           (2) *investing in shipyard infrastructure that*  
18 *would support construction process improvement;*

19           (3) *investing in specialized workforce training,*  
20 *including apprenticeship training programs; or*

21           (4) *investing in construction process that would*  
22 *reduce life cycle maintenance costs of the vessels under*  
23 *construction at the contractor's facilities.*

1       (d) *APPROVAL.*—*The Secretary shall not provide*  
2 *amounts to a contractor under the program unless the Sec-*  
3 *retary determines that—*

4           (1) *the analysis contained in the proposal is*  
5 *sound; and*

6           (2) *providing those amounts is in the best inter-*  
7 *ests of the United States.*

8       (e) *DEMONSTRATION OF SAVINGS TO THE FEDERAL*  
9 *GOVERNMENT.*—*The Secretary shall not provide amounts*  
10 *to a contractor under the program unless the Secretary and*  
11 *the contractor, as part of the approval process for a pro-*  
12 *posal, agree to measures, benchmarks, and recoupment pro-*  
13 *visions in the event the investment fails to demonstrate sav-*  
14 *ings to the Federal Government.*

15       (f) *REPORT.*—*At the end of each fiscal year, beginning*  
16 *with fiscal year 2008, the Secretary shall submit to the con-*  
17 *gressional defense committees a report on the activities car-*  
18 *ried out under this section during that fiscal year. The re-*  
19 *port shall describe each incentive approved during that fis-*  
20 *cal year and, for each such incentive, include an estimate*  
21 *of the costs of providing the incentive and an analysis of*  
22 *the potential savings to the Federal Government from the*  
23 *investment.*

24       (g) *REGULATIONS.*—*The Secretary shall prescribe reg-*  
25 *ulations to carry out this section. The initial regulations*

1 *shall be prescribed not later than 180 days after the date*  
2 *of the enactment of this Act.*

3 **SEC. 126. LIMITATION ON USE OF SHIPBUILDING AND CON-**  
4 **VERSION, NAVY, FUNDS FOR EMPLOYMENT**  
5 **OF NONIMMIGRANT WORKERS.**

6 (a) *LIMITATION ON THE USE OF FUNDS.—*

7 (1) *IN GENERAL.—Except as provided in sub-*  
8 *section (c), funds appropriated or otherwise available*  
9 *to the Department of Defense for Shipbuilding and*  
10 *Conversion, Navy, for fiscal year 2008 or any fiscal*  
11 *year thereafter may not be used for the purpose of*  
12 *ship construction at the facility of a contractor who,*  
13 *for the purposes of United States Navy ship construc-*  
14 *tion, employs or contracts for foreign workers who are*  
15 *legally present in the United States under a H2B*  
16 *visa.*

17 (2) *CONTRACTORS COVERED.—Paragraph (1)*  
18 *applies to prime contractors and subcontracts at any*  
19 *tier under such contracts.*

20 (b) *ANALYSIS OF SHIPYARD LABOR.—*

21 (1) *IN GENERAL.—The Assistant Secretary of the*  
22 *Navy for Research, Development, and Acquisition*  
23 *shall maintain a five-year forecast of potential labor*  
24 *surplus, by shipyard, for each of the shipyards that*  
25 *construct ships for the Navy based on the Navy's an-*

1        *annual naval vessel construction plan required by sec-*  
2        *tion 231 of title 10, United States Code.*

3                (2) *INCLUSION IN PLAN.*—*The forecast required*  
4        *by paragraph (1) shall be included in each plan sub-*  
5        *mitted in accordance with section 231 of title 10,*  
6        *United States Code.*

7                (c) *EXCEPTION FOR SHORTAGE OF UNITED STATES*  
8        *WORKERS.*—*The Secretary of the Navy may waive the re-*  
9        *striction in subsection (a) for a contractor for a fiscal year*  
10       *if the contractor certifies to the Secretary for that fiscal year*  
11       *that—*

12                (1) *the contractor has fully complied with all ex-*  
13        *isting laws and regulations regarding labor certifi-*  
14        *cations in support of an application for alien em-*  
15        *ployment via the H2B visa process;*

16                (2) *a Department of Labor regional certifying of-*  
17        *ficer has issued a determination approving such an*  
18        *application, in accordance with existing laws and*  
19        *regulations; and*

20                (3) *the contractor has attempted to recruit*  
21        *United States shipyard workers in the geographical*  
22        *area surrounding shipyards identified in the most re-*  
23        *cent Navy annual naval vessel construction plan as*  
24        *having potential labor surpluses, in a manner that is*

1        *consistent with procedures which shall be prescribed*  
2        *by the Secretary and that—*

3                *(A) is appropriate for the occupation;*

4                *(B) offers, at a minimum, the same trans-*  
5                *portation and housing benefits to be offered to*  
6                *alien employees; and*

7                *(C) is most likely to bring responses.*

8        **SEC. 127. LIMITATION ON CONCURRENT DESIGN AND CON-**  
9                **STRUCTION ON FIRST SHIP OF A SHIP-**  
10                **BUILDING PROGRAM.**

11        *(a) IN GENERAL.—For any shipbuilding program that*  
12        *is a major defense acquisition program under section 2430*  
13        *of title 10, United States Code, the start of construction of*  
14        *a first ship (as defined in subsection (b)) may not occur*  
15        *until the Secretary of the Navy certifies to the congressional*  
16        *defense committees that the detailed design of the ship is*  
17        *completed and approved by the relevant design certification*  
18        *agents, to a level determined by the Secretary to be accept-*  
19        *able for commencement of construction, via a report de-*  
20        *scribed in subsection (d).*

21        *(b) FIRST SHIP.—For purposes of subsection (a), a*  
22        *ship is a first ship if—*

23                *(1) the ship is the first ship to be constructed*  
24                *under that shipbuilding program;*

1           (2) *the shipyard at which the ship is to be con-*  
2           *structed has not previously started construction on a*  
3           *ship under that shipbuilding program; or*

4           (3) *the ship is the first ship to be constructed fol-*  
5           *lowing a major design change, characterized as a*  
6           *change in flight, under that shipbuilding program.*

7           (c) *START OF CONSTRUCTION.*—*For purposes of sub-*  
8           *section (a), start of construction means the beginning of fab-*  
9           *rication of the hull and superstructure of the ship.*

10          (d) *REPORT.*—*The Secretary of the Navy shall provide*  
11          *the certification required by subsection (a) in a report that*  
12          *provides an assessment of each of the following:*

13               (1) *The degree of completion of the detailed de-*  
14               *sign drawings and specifications for the ship.*

15               (2) *The readiness of the shipyard facilities and*  
16               *workforce to begin construction.*

17               (3) *The maturity level of research and develop-*  
18               *ment efforts of any new technologies that will be used*  
19               *in the ship's command and control systems, weapons*  
20               *systems, sensor systems, mechanical or electrical sys-*  
21               *tems, or hull.*

22               (4) *The ability to meet cost and schedule esti-*  
23               *mates within the applicable program baseline.*

24           (e) *APPLICABILITY.*—

1           (1) *NEW SHIPBUILDING PROGRAMS.*—*This sec-*  
2           *tion applies to each shipbuilding program beginning*  
3           *after the date of the enactment of this Act.*

4           (2) *MAJOR DESIGN CHANGES FOR EXISTING*  
5           *SHIPBUILDING PROGRAMS.*—*In addition, subsection*  
6           *(b)(3) applies to any major design change occurring*  
7           *after the date of the enactment of this Act to any*  
8           *shipbuilding program in existence as of the date of*  
9           *the enactment of this Act.*

## 10       ***Subtitle D—Air Force Programs***

### 11       ***SEC. 131. LIMITATION ON RETIRING C-5 AIRCRAFT.***

12           (a) *CERTIFICATION AND COST ANALYSIS REQUIRED.*—  
13       *The Secretary of the Air Force may not proceed with a deci-*  
14       *sion to retire C-5A aircraft from the inventory of the Air*  
15       *Force in any number that would reduce the total number*  
16       *of such aircraft in the inventory below 111 until 45 days*  
17       *after the Secretary of the Air Force submits to the congres-*  
18       *sional defense committees the following:*

19           (1) *The Secretary’s certification that—*

20                   (A) *the Secretary is able to comply with*  
21                   *subsection (g) of section 8062 of title 10, United*  
22                   *States Code; and*

23                   (B) *retiring the aircraft will not signifi-*  
24                   *cantly increase operational risk of not meeting*  
25                   *the National Military Strategy.*

1           (2) *A cost analysis with respect to the aircraft*  
2           *to be retired that—*

3                   (A) *evaluates which alternative is more pru-*  
4                   *dent in meeting strategic airlift mobility require-*  
5                   *ments—*

6                           (i) *to retire the aircraft; or*

7                           (ii) *to perform the Avionics Moderniza-*  
8                           *tion Program (AMP) and the Reliability*  
9                           *Enhancement and Re-engining Program*  
10                           *(RERP) on the aircraft; and*

11                   (B) *evaluates the cost of C-17 aircraft to re-*  
12                   *place the capability of the aircraft to be retired.*

13           (b) *ADDITIONAL REQUIREMENTS FOR COST ANAL-*  
14 *YSIS.—The cost analysis required by subsection (a)(2) shall*  
15 *be performed by a Federally Funded Research and Develop-*  
16 *ment Center selected by the Air Force and shall conform*  
17 *to the following requirements:*

18                   (1) *The cost analysis shall include one analysis*  
19                   *that uses “constant year dollars” and one analysis*  
20                   *that uses “then year dollars”.*

21                   (2) *For each such analysis, the time period cov-*  
22                   *ered by the analysis shall be the expected service life*  
23                   *of the aircraft concerned.*

24                   (3) *For each such analysis, the ownership costs*  
25                   *evaluated shall include costs for—*

1           (A) *planned technology insertions or up-*  
2 *grades over the service life of the aircraft to meet*  
3 *emerging requirements;*

4           (B) *research and development;*

5           (C) *testing;*

6           (D) *procurement;*

7           (E) *production;*

8           (F) *production termination;*

9           (G) *operations;*

10          (H) *training;*

11          (I) *maintenance;*

12          (J) *sustainment;*

13          (K) *military construction;*

14          (L) *personnel;*

15          (M) *cost of replacement due to attrition;*

16          *and*

17          (N) *disposal.*

18          (4) *The cost analysis shall include each of the*  
19 *following:*

20               (A) *An assessment of the quality of each*  
21 *cost analysis.*

22               (B) *A discussion of each of the following:*

23                     (i) *The assumptions used.*

24                     (ii) *The benefits to be realized from*  
25 *each alternative.*

1                   (iii) *Adverse impacts to be realized*  
2                   *from each alternative.*

3                   (iv) *Cargo capacity, operational avail-*  
4                   *ability, departure reliability, and mission*  
5                   *capability.*

6                   (v) *Aircraft basing.*

7                   (vi) *Aircrew ratios and associated*  
8                   *training requirements.*

9                   (vii) *Performing AMP and RERP on*  
10                  *only C-5B and C5C aircraft.*

11                  (C) *A summary table that compares and*  
12                  *contrasts each alternative with respect to each of*  
13                  *the requirements of this subsection.*

14                  (c) *CONFORMING REPEAL.—Section 132 of the Na-*  
15                  *tional Defense Authorization Act for Fiscal Year 2004 (Pub-*  
16                  *lic Law 108-136; 117 Stat. 1411) is repealed.*

17                  **SEC. 132. LIMITATION ON JOINT CARGO AIRCRAFT.**

18                  *No funds appropriated pursuant to an authorization*  
19                  *of appropriations or otherwise made available for procure-*  
20                  *ment, or for research, development, test, and evaluation,*  
21                  *may be obligated or expended for the Joint Cargo Aircraft*  
22                  *until 30 days after the Secretary of Defense submits to the*  
23                  *congressional defense committees each of the following:*

24                         (1) *The Air Force Air Mobility Command's Air-*  
25                         *lift Mobility Roadmap.*

1           (2) *The Department of Defense Intra-Theater*  
2           *Airlift Capabilities Study.*

3           (3) *The Department of Defense Joint Intra-The-*  
4           *ater Distribution Assessment.*

5           (4) *The Joint Cargo Aircraft Functional Area*  
6           *Series Analysis.*

7           (5) *The Joint Cargo Aircraft Analysis of Alter-*  
8           *natives.*

9           (6) *The Secretary's certification that—*

10           (A) *there is, within the Department of the*  
11           *Army, Department of the Air Force, Army Na-*  
12           *tional Guard, or Air National Guard, a capa-*  
13           *bility gap or shortfall with respect to intra-the-*  
14           *ater airlift; and*

15           (B) *validated requirements exist to fill that*  
16           *gap or shortfall through procurement of the Joint*  
17           *Cargo Aircraft.*

18 **SEC. 133. CLARIFICATION OF LIMITATION ON RETIREMENT**

19           **OF U-2 AIRCRAFT.**

20           *Section 133(b) of the John Warner National Defense*  
21           *Authorization Act for Fiscal Year 2007 (Public Law 109-*  
22           *364; 120 Stat. 2112) is amended—*

23           (1) *in paragraph (1)—*

1           (A) by striking “After fiscal year 2007” and  
 2           inserting “For each fiscal year after fiscal year  
 3           2007”; and

4           (B) by inserting after “Secretary of De-  
 5           fense” the following: “, in that fiscal year,”; and  
 6           (2) in paragraph (2)—

7           (A) by inserting after “Department of De-  
 8           fense” the following: “in a fiscal year”; and

9           (B) by inserting after “Congress” the fol-  
 10          lowing: “in that fiscal year”.

11 **SEC. 134. REPEAL OF REQUIREMENT TO MAINTAIN RETIRED**

12 **C-130E TACTICAL AIRLIFT AIRCRAFT.**

13        Section 137(b) of the John Warner National Defense  
 14        Authorization Act for Fiscal Year 2007 (Public Law 109-  
 15        364; 120 Stat. 2114) is repealed.

16 **TITLE II—RESEARCH, DEVELOP-**  
 17 **MENT, TEST, AND EVALUA-**  
 18 **TION**

*Subtitle A—Authorization of Appropriations*

*Sec. 201. Authorization of appropriations.*

*Sec. 202. Amount for defense science and technology.*

*Subtitle B—Program Requirements, Restrictions, and Limitations*

*Sec. 211. Operational test and evaluation of Future Combat Systems network.*

*Sec. 212. Limitation on systems development and demonstration of Joint Light  
 Tactical Vehicle program.*

*Sec. 213. Requirement to obligate funds for development and procurement of a  
 competitive propulsion system for the Joint Strike Fighter.*

*Sec. 214. Limitation on use of funds for manufacturing science and technology  
 program.*

*Subtitle C—Ballistic Missile Defense*

- Sec. 221. Oversight of Missile Defense Agency programs by Director of Operational Test and Evaluation.*
- Sec. 222. Fielding of ballistic missile defense capabilities and future roles and missions of Missile Defense Agency.*
- Sec. 223. Limitation on use of funds for replacing warhead on SM-3 Block IIA missile.*
- Sec. 224. Two-year extension of Comptroller General assessments of ballistic missile defense programs.*
- Sec. 225. Independent study on deploying missile defense system in Europe.*
- Sec. 226. Sense of Congress concerning full support for development and fielding of a layered ballistic missile defense.*

*Subtitle D—Other Matters*

- Sec. 231. Responsibility for human systems integration activities.*
- Sec. 232. Expansion of authority for encouragement of technology transfer.*
- Sec. 233. Army Venture Capital Fund demonstration.*
- Sec. 234. Independent tests for combat helmet pad suspension systems.*
- Sec. 235. Report on implementation of Manufacturing Technology Program.*
- Sec. 236. Assessment of sufficiency of test and evaluation personnel.*
- Sec. 237. Repeal of requirement for separate reports on technology area review and assessment summaries.*

1                   ***Subtitle A—Authorization of***  
 2                   ***Appropriations***

3   ***SEC. 201. AUTHORIZATION OF APPROPRIATIONS.***

4           *Funds are hereby authorized to be appropriated for fis-*  
 5 *cal year 2008 for the use of the Department of Defense for*  
 6 *research, development, test, and evaluation as follows:*

7                   (1) *For the Army, \$10,082,498,000.*

8                   (2) *For the Navy, \$17,333,601,000.*

9                   (3) *For the Air Force, \$25,738,960,000.*

10                  (4) *For Defense-wide activities, \$20,141,264,000,*  
 11 *of which \$180,264,000 is authorized for the Director*  
 12 *of Operational Test and Evaluation.*

1 **SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-**  
2 **NOLOGY.**

3 (a) *FISCAL YEAR 2008.*—Of the amounts authorized  
4 to be appropriated by section 201, \$11,504,291,000 shall be  
5 available for the Defense Science and Technology Program,  
6 including basic research, applied research, and advanced  
7 technology development projects.

8 (b) *BASIC RESEARCH, APPLIED RESEARCH, AND AD-*  
9 *VANCED TECHNOLOGY DEVELOPMENT DEFINED.*—For pur-  
10 poses of this section, the term “basic research, applied re-  
11 search, and advanced technology development” means work  
12 funded in program elements for defense research and devel-  
13 opment under Department of Defense budget activity 1, 2,  
14 or 3.

15 ***Subtitle B—Program Requirements,***  
16 ***Restrictions, and Limitations***

17 **SEC. 211. OPERATIONAL TEST AND EVALUATION OF FU-**  
18 **TURE COMBAT SYSTEMS NETWORK.**

19 (a) *OPERATIONAL TEST AND EVALUATION RE-*  
20 *QUIRED.*—The Secretary of the Army, in cooperation with  
21 the Director, Operational Test and Evaluation, shall com-  
22 plete an operational test and evaluation (as defined in sec-  
23 tion 139(a)(2)(A) of title 10, United States Code), of the  
24 FCS network in a realistic environment simulating oper-  
25 ational conditions. The operational test and evaluation  
26 shall—

1           (1) *be conducted and approved by the Director,*  
2           *Operational Test and Evaluation;*

3           (2) *be conducted using production representative*  
4           *equipment, sensors, and software for the FCS net-*  
5           *work;*

6           (3) *be conducted in a manner that simulates a*  
7           *full Future Combat Systems brigade;*

8           (4) *be conducted, to the maximum extent pos-*  
9           *sible, using actual communications equipment instead*  
10          *of computer simulations;*

11          (5) *be conducted in a realistic operational elec-*  
12          *tronic warfare environment, including enemy elec-*  
13          *tronic warfare and network attacks; and*

14          (6) *include, to the maximum extent possible, all*  
15          *sensor information feeds the FCS network is designed*  
16          *to incorporate.*

17          (b) *FCS NETWORK DEFINED.*—*In this section, the*  
18          *term “FCS network” includes all sensors, information sys-*  
19          *tems, computers, and communications systems necessary to*  
20          *support Future Combat Systems brigade operations.*

21          (c) *REPORT.*—*Not later than 120 days after com-*  
22          *pleting the operational test and evaluation required by sub-*  
23          *section (a), the Director, Operational Test and Evaluation*  
24          *shall submit to the congressional defense committees a re-*

1 *port on the outcome of the operational test and evaluation.*

2 *The report shall include, at a minimum—*

3 *(1) an evaluation of the overall operational effec-*  
4 *tiveness of the FCS network, including—*

5 *(A) an evaluation of the FCS network’s ca-*  
6 *pability to transmit the volume and classes of*  
7 *data required by Future Combat Systems ap-*  
8 *proved requirements; and*

9 *(B) an evaluation of the FCS network’s per-*  
10 *formance in a degraded condition due to enemy*  
11 *network attack, sophisticated enemy electronic*  
12 *warfare, adverse weather conditions, and terrain*  
13 *variability;*

14 *(2) an evaluation of the FCS network’s ability to*  
15 *improve friendly force knowledge of the location and*  
16 *capability of enemy forces and combat systems; and*

17 *(3) an evaluation of the overall operational suit-*  
18 *ability of the FCS network.*

19 *(d) LIMITATION PENDING SUBMISSION OF REPORT.—*

20 *(1) IN GENERAL.—No funds appropriated pursu-*  
21 *ant to an authorization of appropriations or other-*  
22 *wise made available to the Department of the Army*  
23 *for any fiscal year may be obligated for low-rate ini-*  
24 *tial production or full-rate production of Future*  
25 *Combat Systems manned ground vehicles until 60*

1        *days after the date on which the report is submitted*  
2        *under subsection (c).*

3                (2) *WAIVER AUTHORITY.—The Secretary of De-*  
4        *fense may waive the limitation in paragraph (1) if*  
5        *the Secretary determines that such a waiver is crit-*  
6        *ical for national security. Such a waiver shall not be-*  
7        *come effective until 14 days after the date on which*  
8        *the Secretary submits to the congressional defense*  
9        *committees a written notice of the waiver.*

10               (3) *INAPPLICABILITY TO THE NON LINE OF*  
11        *SIGHT CANNON VEHICLE.—The limitation in para-*  
12        *graph (1) does not apply to the Non Line of Sight*  
13        *Cannon vehicle.*

14        **SEC. 212. LIMITATION ON SYSTEMS DEVELOPMENT AND**  
15                                **DEMONSTRATION OF JOINT LIGHT TACTICAL**  
16                                **VEHICLE PROGRAM.**

17        *No funds appropriated pursuant to an authorization*  
18        *of appropriations or otherwise made available for any fiscal*  
19        *year may be obligated or expended for the Joint Light Tac-*  
20        *tical Vehicle program beyond the Design Readiness Review*  
21        *for the acquisition program phase of systems development*  
22        *and demonstration until after the certification for the Joint*  
23        *Light Tactical Vehicle program is made and submitted as*  
24        *required by section 2366a of title 10, United States Code,*

1 *and a progress report is received for review by the congres-*  
2 *sional defense committees.*

3 **SEC. 213. REQUIREMENT TO OBLIGATE FUNDS FOR DEVEL-**  
4 **OPMENT AND PROCUREMENT OF A COMPETI-**  
5 **TIVE PROPULSION SYSTEM FOR THE JOINT**  
6 **STRIKE FIGHTER.**

7 *Of the funds appropriated pursuant to an authoriza-*  
8 *tion of appropriations or otherwise made available, for fis-*  
9 *cal year 2008 or any fiscal year thereafter, for research,*  
10 *development, test, and evaluation and procurement for the*  
11 *Joint Strike Fighter program, the Secretary of Defense shall*  
12 *obligate sufficient annual amounts to develop and procure*  
13 *a competitive propulsion system for the Joint Strike Fighter*  
14 *in order to conduct a competitive propulsion source selec-*  
15 *tion.*

16 **SEC. 214. LIMITATION ON USE OF FUNDS FOR MANUFAC-**  
17 **TURING SCIENCE AND TECHNOLOGY PRO-**  
18 **GRAM.**

19 *(a) IN GENERAL.—No funds available to the Office of*  
20 *the Secretary of Defense for any fiscal year may be obli-*  
21 *gated or expended for a manufacturing science and tech-*  
22 *nology project unless the Director, Defense Research and*  
23 *Engineering, ensures that—*

1           (1) *the project is awarded using competitive pro-*  
2 *cedures in accordance with section 2304 of title 10,*  
3 *United States Code;*

4           (2) *the project is carried out—*

5                 (A) *under the Manufacturing Technology*  
6 *Program established by section 2521 of title 10,*  
7 *United States Code; and*

8                 (B) *in compliance with all requirements of*  
9 *any directive that applies to manufacturing*  
10 *technology; and*

11           (3) *a technology transition agreement has been*  
12 *fully executed between the Director and a prospective*  
13 *technology user.*

14           (b) *DEFINITIONS.—In this subsection:*

15                 (1) *The term “technology transition agreement”*  
16 *means an agreement signed by officials of the Depart-*  
17 *ment of Defense that includes—*

18                         (A) *a description of the prospective tech-*  
19 *nology user’s relevant technology needs in pri-*  
20 *ority order;*

21                         (B) *a description of the minimum incre-*  
22 *ment of capability that must be developed in*  
23 *order for the prospective technology user to con-*  
24 *sider implementing the technology;*

1           (C) a schedule of technology transition win-  
2           dows for each technology need;

3           (D) a description of discrete technology  
4           deliverables that specifically identifies which user  
5           need would be fulfilled by each deliverable;

6           (E) a schedule for technology deliverables  
7           that aligns with user defined technology transi-  
8           tion opportunities; and

9           (F) a commitment by the prospective tech-  
10          nology user to program for advanced develop-  
11          ment or procurement funding, as appropriate,  
12          upon successful delivery of the technology, in ac-  
13          cordance with the other terms of the agreement.

14          (2) The term “prospective technology user” has  
15          the meaning given that term in section 2521(c)(6) of  
16          title 10, United States Code.

17                   **Subtitle C—Ballistic Missile**  
18                   **Defense**

19   **SEC. 221. OVERSIGHT OF MISSILE DEFENSE AGENCY PRO-**  
20                   **GRAMS BY DIRECTOR OF OPERATIONAL TEST**  
21                   **AND EVALUATION.**

22          (a) *MDA TO REPORT TO OT&E.*—The Director of the  
23          Missile Defense Agency shall report promptly to the Direc-  
24          tor of Operational Test and Evaluation the results of—

1           (1) *all operational test and evaluation conducted*  
2           *by the Missile Defense Agency with respect to any*  
3           *major defense acquisition program; and*

4           (2) *all studies conducted in connection with such*  
5           *operational test and evaluation.*

6           (b) *OT&E OBSERVERS AT MDA TESTS.—The Director*  
7           *of Operational Test and Evaluation may require that such*  
8           *observers as the Director of Operational Test and Evalua-*  
9           *tion may designate are present during the preparation for,*  
10           *and the conduct of, the test part of any test and evaluation*  
11           *conducted by the Missile Defense Agency with respect to any*  
12           *major defense acquisition program.*

13           (c) *OT&E ACCESS TO INFORMATION.—The Director of*  
14           *Operational Test and Evaluation shall have access to all*  
15           *information of the Department of Defense (including infor-*  
16           *mation of the Missile Defense Agency) that the Director con-*  
17           *siders necessary to review in order to carry out this section.*

18           **SEC. 222. FIELDING OF BALLISTIC MISSILE DEFENSE CAPA-**  
19                                    **BILITIES AND FUTURE ROLES AND MISSIONS**  
20                                    **OF MISSILE DEFENSE AGENCY.**

21           (a) *AVAILABILITY OF RDT&E FUNDS FOR FISCAL*  
22           *2009.—Upon approval by the Secretary of Defense, funds*  
23           *appropriated pursuant to an authorization of appropria-*  
24           *tions or otherwise made available for fiscal year 2009 for*

1 *research, development, test, and evaluation for the Missile*  
2 *Defense Agency—*

3 *(1) may be used for the development and fielding*  
4 *of ballistic missile defense capabilities; and*

5 *(2) may not be used for operations and support*  
6 *activities.*

7 *(b) BUDGETING FOR OPERATIONS AND SUPPORT FOR*  
8 *FISCAL 2009.—For fiscal year 2009, any amount in the*  
9 *budget submitted to Congress under section 1105(a) of title*  
10 *31, United States Code, for operations and support activi-*  
11 *ties for the Missile Defense Agency shall be set forth under*  
12 *the account of the Department of Defense for operation and*  
13 *maintenance, Defense-wide, and, within that account,*  
14 *under the subaccount (or other budget activity level) for the*  
15 *Missile Defense Agency.*

16 *(c) PLAN REQUIRED.—Not later than March 1, 2008,*  
17 *the Director of the Missile Defense Agency shall submit to*  
18 *the Committee on Armed Services of the Senate and the*  
19 *Committee on Armed Services of the House of Representa-*  
20 *tives a plan for transitioning the Missile Defense Agency*  
21 *from using research, development, test, and evaluation*  
22 *funds for missile defense fielding activities to using procure-*  
23 *ment funds for those activities where practicable.*

24 *(d) STUDY REQUIRED.—*

1           (1) *IN GENERAL.*—*The Secretary of Defense shall*  
2           *enter into an agreement with one of the Federally*  
3           *Funded Research and Development Centers under*  
4           *which the Center will carry out a study to examine,*  
5           *and make recommendations with respect to, the long-*  
6           *term structure, roles, and missions of the Missile De-*  
7           *fense Agency.*

8           (2) *MATTERS INCLUDED.*—

9           (A) *REVIEW.*—*The study shall include a*  
10           *full review of the structure, roles, and missions*  
11           *of the Missile Defense Agency.*

12           (B) *ASSESSMENTS.*—*The study shall in-*  
13           *clude an examination and assessment of the cur-*  
14           *rent and future—*

15                   (i) *structure, roles, and missions of the*  
16                   *Missile Defense Agency; and*

17                   (ii) *relationship of the Missile Defense*  
18                   *Agency with—*

19                           (I) *the Office of the Under Sec-*  
20                           *retary of Defense for Acquisition, Tech-*  
21                           *nology, and Logistics;*

22                           (II) *the Office of the Under Sec-*  
23                           *retary of Defense for Policy;*

24                           (III) *the Director of Operational*  
25                           *Test and Evaluation;*

1                   (IV) the Commander of the United  
2                   States Strategic Command and other  
3                   combatant commanders; and

4                   (V) the military departments.

5                   (C) *RECOMMENDATIONS.*—The study shall  
6                   include recommendations as to how the Missile  
7                   Defense Agency can be made more effective to  
8                   support the needs of the warfighter. The rec-  
9                   ommendations shall include specific rec-  
10                  ommendations as to whether—

11                  (i) the Missile Defense Agency should  
12                  be maintained in its current configuration;

13                  (ii) the scope and nature of the Missile  
14                  Defense Agency should be changed from an  
15                  organization focused on research and devel-  
16                  opment to an organization focused on com-  
17                  bat support; and

18                  (iii) the Missile Defense Agency should  
19                  be abolished and its responsibilities trans-  
20                  ferred to the United States Strategic Com-  
21                  mand and the military departments.

22                  (3) *COOPERATION FROM GOVERNMENT.*—In car-  
23                  rying out the study, the Federally Funded Research  
24                  and Development Center shall receive the full and  
25                  timely cooperation of the Secretary of Defense and





1 *tem. In providing the analysis, the study shall examine each*  
2 *of the following:*

3           (1) *The technical capabilities of the GMD sys-*  
4 *tem, as so deployed, to effectively protect forward-de-*  
5 *ployed radars, Europe, and the United States.*

6           (2) *The political implications of such a deploy-*  
7 *ment on the United States, the North Atlantic Treaty*  
8 *Organization, and other interested parties.*

9           (3) *The operational issues associated with such a*  
10 *deployment.*

11           (4) *The force structure implications of such a de-*  
12 *ployment.*

13           (5) *The budgetary implications of such a deploy-*  
14 *ment.*

15       (c) *ANALYSIS OF ALTERNATIVES.—The study shall also*  
16 *provide a full analysis of alternative systems that could be*  
17 *deployed to fulfill, in whole or in part, the protective pur-*  
18 *poses of the Administration’s proposal. The alternative sys-*  
19 *tems shall include a range of feasible combinations of other*  
20 *missile defense systems that are available or are expected*  
21 *to be available as of 2020. In providing the analysis, the*  
22 *study shall examine, for each alternative system included,*  
23 *the following:*

1           (1) *The technical capabilities of the alternative*  
2           *system, as so deployed, to effectively protect forward-*  
3           *deployed radars, Europe, and the United States.*

4           (2) *The political implications of such a deploy-*  
5           *ment on the United States, the North Atlantic Treaty*  
6           *Organization, and other interested parties.*

7           (3) *The operational issues associated with such a*  
8           *deployment.*

9           (4) *The force structure implications of such a de-*  
10          *ployment.*

11          (5) *The budgetary implications of such a deploy-*  
12          *ment.*

13          (d) *COOPERATION REQUIRED.—In carrying out the*  
14          *study, the Federally Funded Research and Development*  
15          *Center shall receive the cooperation of the Secretary of De-*  
16          *fense, the Secretary of State, the Director of National Intel-*  
17          *ligence, and any other United States Government official*  
18          *in providing the Center with analyses, briefings, and other*  
19          *information necessary for the fulfillment of its responsibil-*  
20          *ities.*

21          (e) *REPORT.—Not later than 180 days after the date*  
22          *of the enactment of this Act, the Federally Funded Research*  
23          *and Development Center shall submit to the congressional*  
24          *defense committees and the Secretary of Defense a report*

1 *on the results of the study. The report shall be in unclassi-*  
2 *fied form, but may include a classified annex.*

3 *(f) FUNDING.—Of the amounts appropriated or other-*  
4 *wise made available pursuant to the authorization of ap-*  
5 *propriations in section 201(4), \$1,000,000 is available to*  
6 *carry out the study required by this section.*

7 **SEC. 226. SENSE OF CONGRESS CONCERNING FULL SUP-**  
8 **PORT FOR DEVELOPMENT AND FIELDING OF**  
9 **A LAYERED BALLISTIC MISSILE DEFENSE.**

10 *It is the sense of Congress that—*

11 *(1) the development and proliferation of ballistic*  
12 *missile and nuclear capabilities by rogue nations con-*  
13 *tinues to grow, posing a serious threat to the national*  
14 *security of the United States, United States military*  
15 *forces deployed, and United States national security*  
16 *interests more broadly, as demonstrated by—*

17 *(A) the July 2006 test by North Korea of*  
18 *six short-range missiles and one longer-range*  
19 *Taepo Dong-2 missile, and the October 2006 test*  
20 *by North Korea of a nuclear device;*

21 *(B) the November 2006 and January 2007*  
22 *test by Iran of nearly a dozen missiles and an*  
23 *ongoing effort by Iran to enrich uranium;*

1           (C) the reported proliferation of BM-25 in-  
2           intermediate range ballistic missiles from North  
3           Korea to Iran; and

4           (D) the reported January 2007 test by  
5           Syria of Scud-D short-range ballistic missiles;

6           (2) the United States must have the capability to  
7           defend its homeland and forward-deployed military  
8           forces against the threats highlighted in paragraph  
9           (1);

10          (3) the United States is committed to working  
11          with its allies to obtain the capability to defend our  
12          broader national security interests against ballistic  
13          missile threats highlighted in paragraph (1);

14          (4) as specified in the John Warner National  
15          Defense Authorization Act for Fiscal Year 2007, “It  
16          is the policy of the United States that the Department  
17          of Defense accord priority within the missile defense  
18          program to the development, testing, fielding, and im-  
19          provement of effective near-term missile defense capa-  
20          bilities, including the ground-based midcourse defense  
21          system, the Aegis ballistic missile defense system, the  
22          Patriot PAC-3 system, the Terminal High Altitude  
23          Area Defense system, and the sensors necessary to  
24          support such systems.”;

1           (5) *the Congress fully supports efforts by the De-*  
2           *partment of Defense to continue development, testing,*  
3           *and fielding of an effective, integrated, robust, layered*  
4           *ballistic missile defense system that is capable of*  
5           *intercepting ballistic missiles as described in para-*  
6           *graph (1) in various phases of flight;*

7           (6) *a layered defense requires fielding compo-*  
8           *nents on land and sea, space-based and other sensors,*  
9           *along with the command and control capability that*  
10          *ties the various components together; and*

11          (7) *it is in the national security interest of the*  
12          *United States to continue development, testing, and*  
13          *operations of the United States ballistic missile de-*  
14          *fense system to hedge against uncertainty in the de-*  
15          *velopment, test, and fielding of ballistic missile capa-*  
16          *bilities by rogue nations.*

## 17                   ***Subtitle D—Other Matters***

### 18   **SEC. 231. RESPONSIBILITY FOR HUMAN SYSTEMS INTEGRA-** 19                   ***TION ACTIVITIES.***

20          (a) *IN GENERAL.—The Secretary of Defense, acting*  
21          *through the Under Secretary of Defense for Acquisition,*  
22          *Technology, and Logistics, shall coordinate and manage*  
23          *human systems integration activities throughout the acqui-*  
24          *sition programs of the Department of Defense.*

1           (b) *ADMINISTRATION.*—*In carrying out subsection (a),*  
2 *the Secretary shall—*

3                 (1) *designate a senior official to be responsible*  
4 *for the effort; and*

5                 (2) *supervise the planning, management, and co-*  
6 *ordination of such activities.*

7           (c) *RESPONSIBILITIES.*—*In carrying out this section,*  
8 *the Secretary shall—*

9                 (1) *develop a Department of Defense Instruction,*  
10 *and as necessary a Department of Defense Directive,*  
11 *specific to human systems integration activities; and*

12                 (2) *identify and recommend, as appropriate, re-*  
13 *source requirements for human systems integration*  
14 *activities.*

15           (d) *DESIGNATION.*—*The designation required by sub-*  
16 *section (b)(2) shall be made not later than 60 days after*  
17 *the date of the enactment of this Act.*

18 **SEC. 232. EXPANSION OF AUTHORITY FOR ENCOURAGE-**  
19 **MENT OF TECHNOLOGY TRANSFER.**

20           Section 2514(c) of title 10, United States Code, is  
21 *amended—*

22                 (1) *by redesignating paragraphs (3) and (4) as*  
23 *paragraphs (4) and (5), respectively; and*

24                 (2) *by inserting after paragraph (2) the fol-*  
25 *lowing:*

1       “(3)(A) *Under the Program, the defense laboratories*  
2 *and research centers may, through leases, contracts, or other*  
3 *appropriate arrangements, provide facilities, services, and*  
4 *equipment to private industry in order to promote acceler-*  
5 *ated development of critical technologies and technology*  
6 *transfer initiatives that support the Department of Defense.*

7       “(B) *The facilities, services, and equipment provided*  
8 *under this paragraph shall be provided on a non-inter-*  
9 *ference basis.*

10       “(C) *The defense laboratory or research center—*

11           “(i) *shall charge, accept, and retain fees in*  
12 *amounts necessary to recover the full costs of the fa-*  
13 *cilities, services, and equipment provided, including*  
14 *capital improvement costs, utility and service costs,*  
15 *and equipment depreciation costs; and*

16           “(ii) *may charge, accept, and retain fees for pro-*  
17 *viding the facilities, services, and equipment.*

18       “(D) *The defense laboratory or research center may ac-*  
19 *cept payment in cash or in kind for fees charged under sub-*  
20 *paragraph (C).*

21       “(E) *Fees accepted under subparagraph (C) shall be*  
22 *credited to the account that was used to cover the costs for*  
23 *which the payment was provided. Amounts so credited shall*  
24 *be merged with amounts in that account, and shall be avail-*

1 *able for the same purposes, and subject to the same condi-*  
2 *tions and limitations, as other amounts in that account.”.*

3 **SEC. 233. ARMY VENTURE CAPITAL FUND DEMONSTRATION.**

4 *(a) IN GENERAL.—Of the amounts appropriated pur-*  
5 *suant to the authorization of appropriations in section*  
6 *201(1) or otherwise made available for research, develop-*  
7 *ment, test, and evaluation, Army, \$10,000,000 is available*  
8 *for the Army Venture Capital Fund demonstration, to be*  
9 *used only for investment in renewable energy technologies.*

10 *(b) DEFINITION.—For purposes of this section, the*  
11 *Army Venture Capital Fund demonstration is the program*  
12 *for which funds were initially provided in section 8150 of*  
13 *the Department of Defense Appropriations Act, 2002 (divi-*  
14 *sion A of Public Law 107-117; 115 Stat. 2281), as extended*  
15 *and revised in section 8105 of Department of Defense Ap-*  
16 *propriations Act, 2003 (Public Law 107-248; 116 Stat.*  
17 *1562).*

18 **SEC. 234. INDEPENDENT TESTS FOR COMBAT HELMET PAD**

19 **SUSPENSION SYSTEMS.**

20 *(a) IN GENERAL.—From amounts made available pur-*  
21 *suant to the authorization of appropriations in section*  
22 *201(4) for research, development, test, and evaluation, De-*  
23 *fense-wide, the Secretary of Defense shall carry out a test*  
24 *and evaluation of combat helmet pad suspension systems.*  
25 *The test and evaluation shall be carried out using verified*

1 *product representative samples from the five producers of*  
2 *combat helmet pad suspension systems that are qualified*  
3 *as of the date of the enactment of this Act. The test and*  
4 *evaluation shall include an operational assessment of the*  
5 *pad suspension systems, including a field user evaluation.*

6 (b) *INDEPENDENT LABORATORY.*—*The test and eval-*  
7 *uation shall be carried out in an objective and transparent*  
8 *manner by a certified and qualified laboratory that is inde-*  
9 *pendent of the Federal Government.*

10 (c) *REPORT.*—*Not later than September 30, 2008, the*  
11 *Secretary shall submit to the congressional defense commit-*  
12 *tees a report on the results of the test and evaluation.*

13 **SEC. 235. REPORT ON IMPLEMENTATION OF MANUFAC-**  
14 **TURING TECHNOLOGY PROGRAM.**

15 (a) *REPORT REQUIRED.*—*Not later than March 1,*  
16 *2008, the Secretary of Defense shall submit to the Com-*  
17 *mittee on Armed Services of the Senate and the Committee*  
18 *on Armed Services of the House of Representatives a report*  
19 *on the implementation of the technologies and processes de-*  
20 *veloped under the Manufacturing Technology Program re-*  
21 *quired by section 2521 of title 10, United States Code.*

22 (b) *ELEMENTS.*—*The report shall identify each tech-*  
23 *nology or process implemented and, for each such technology*  
24 *or process, shall identify—*

1           (1) *the project of the Manufacturing Technology*  
2 *Program through which the technology or process was*  
3 *developed, the Federal and non-Federal participants*  
4 *in that project, and the duration of the project;*

5           (2) *the organization or program implementing*  
6 *the technology or process, and the type of implementa-*  
7 *tion;*

8           (3) *the total Federal funding required to imple-*  
9 *ment the technology or process, including—*

10           (A) *funds provided by military departments*  
11 *and Defense Agencies under the Manufacturing*  
12 *Technology Program;*

13           (B) *funds provided by the Department of*  
14 *Defense, or any element of the Department, to co-*  
15 *develop the technology or process;*

16           (C) *to the maximum extent possible, funds*  
17 *provided by the Department of Defense, or any*  
18 *element of the Department, to—*

19           (i) *mature the technology or process*  
20 *prior to transition to the Manufacturing*  
21 *Technology Program; and*

22           (ii) *fully implement the technology or*  
23 *process;*

24           (4) *the total value of industry cost share, if ap-*  
25 *plicable; and*

1           (5) *the total value of cost avoidance or cost sav-*  
2           *ings directly attributable to the implementation of the*  
3           *technology or process.*

4           (c) *DEFINITION.—For purposes of this section, the*  
5           *term “implementation” refers to—*

6           (1) *the use of a technology or process in the man-*  
7           *ufacture of defense materiel;*

8           (2) *the identification of a technology or process*  
9           *in the manufacturing baseline for a program of*  
10           *record that has not yet achieved full rate production;*  
11           *or*

12           (3) *the use of a technology or process for the*  
13           *manufacture of commercial items.*

14           (d) *SCOPE.—The report shall include technologies or*  
15           *processes developed with funds appropriated or otherwise*  
16           *made available for Manufacturing Technology for fiscal*  
17           *years 2002 through 2007.*

18           **SEC. 236. ASSESSMENT OF SUFFICIENCY OF TEST AND**  
19           **EVALUATION PERSONNEL.**

20           (a) *ASSESSMENT REQUIRED.—The Director of Oper-*  
21           *ational Test and Evaluation shall assess whether the Direc-*  
22           *tor’s professional staff meets the requirement of section*  
23           *139(j) of title 10, United States Code, that the staff be suffi-*  
24           *cient to carry out the Director’s duties and responsibilities.*

1       (b) *INCLUSION IN REPORT.*—*The Director shall in-*  
 2 *clude the results of the assessment in the report, required*  
 3 *by section 139(g) of title 10, United States Code, summa-*  
 4 *rizing the operational test and evaluation activities during*  
 5 *fiscal year 2007.*

6       **SEC. 237. REPEAL OF REQUIREMENT FOR SEPARATE RE-**  
 7                               **PORTS ON TECHNOLOGY AREA REVIEW AND**  
 8                               **ASSESSMENT SUMMARIES.**

9       *Subsection (c) of section 253 of the National Defense*  
 10 *Authorization Act for Fiscal Year 2006 (Public Law 109-*  
 11 *163; 119 Stat. 3179; 10 U.S.C. 2501 note) is repealed.*

12                               **TITLE III—OPERATION AND**  
 13                               **MAINTENANCE**

*Subtitle A—Authorization of Appropriations*

- Sec. 301. Operation and maintenance funding.*
- Sec. 302. Working capital funds.*
- Sec. 303. Other Department of Defense Programs.*

*Subtitle B—Environmental Provisions*

- Sec. 311. Reimbursement of Environmental Protection Agency for certain costs in connection with Moses Lake Wellfield Superfund Site, Moses Lake, Washington.*
- Sec. 312. Reimbursement of Environmental Protection Agency for certain costs in connection with Arctic Surplus Superfund Site, Fairbanks, Alaska.*
- Sec. 313. Payment to Environmental Protection Agency of stipulated penalty in connection with Jackson Park Housing Complex, Washington.*

*Subtitle C—Workplace and Depot Issues*

- Sec. 321. Increase in threshold amount for contracts for procurement of capital assets in advance of availability of working-capital funds for the procurement.*
- Sec. 322. Authorization of availability of working-capital funds for certain product improvements.*
- Sec. 323. Authorization of use of working-capital funds for acquisition of certain items.*
- Sec. 324. Modification to public-private competition requirements before conversion to contractor performance.*

- Sec. 325. Public-private competition at end of period specified in performance agreement not required.*
- Sec. 326. Guidelines on insourcing new and contracted out functions.*
- Sec. 327. Additional requirements for annual report on public-private competitions.*
- Sec. 328. Restriction on Office of Management and Budget influence over Department of Defense public-private competitions.*
- Sec. 329. Bid Protests by Federal Employees in actions under Office of Management Budget Circular A-76.*
- Sec. 330. Public-private competition required before conversion to contractor performance.*
- Sec. 331. Reauthorization and modification of multi-trades demonstration project.*

*Subtitle D—Extension of Program Authorities*

- Sec. 341. Extension of Arsenal Support Program Initiative.*
- Sec. 342. Extension of period for reimbursement for helmet pads purchased by members of the Armed Forces deployed in contingency operations.*

*Subtitle E—Reports*

- Sec. 351. Inclusion of National Guard readiness for civil support missions in quarterly personnel and unit readiness report.*
- Sec. 352. Plan to improve readiness of active and reserve component ground forces.*
- Sec. 353. Plan for optimal use of strategic ports by commander of Surface Distribution and Deployment Command.*
- Sec. 354. Independent assessment of Civil Reserve Air Fleet viability.*
- Sec. 355. Annual report on prepositioned materiel and equipment.*
- Sec. 356. Conditions on relocation of North American Aerospace Defense command center and related functions from Cheyenne Mountain to Peterson Air Force Base.*
- Sec. 357. Report on public-private partnerships.*

*Subtitle F—Other Matters*

- Sec. 361. Authority for Department of Defense to provide support for certain sporting events.*
- Sec. 362. Reasonable restrictions on payment of full replacement value for lost or damaged personal property transported at Government expense.*
- Sec. 363. Priority transportation on Department of Defense aircraft of retired members residing in Commonwealths and possessions of the United States for certain health care services.*
- Sec. 364. Recovery of missing military property.*
- Sec. 365. Retention of Army combat uniforms by members of Army deployed in support of contingency operations.*
- Sec. 366. Issue of serviceable material other than to Armed Forces.*
- Sec. 367. Prohibition on deactivation of 36th Rescue Flight.*
- Sec. 368. Limitation on expenditure of funds for initial flight screening at Pueblo Memorial Airport.*

1           ***Subtitle A—Authorization of***  
2                           ***Appropriations***

3   **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

4           *Funds are hereby authorized to be appropriated for fis-*  
5 *cal year 2008 for the use of the Armed Forces and other*  
6 *activities and agencies of the Department of Defense for ex-*  
7 *penses, not otherwise provided for, for operation and main-*  
8 *tenance, in amounts as follows:*

9                   (1) *For the Army, \$28,868,671,000.*

10                   (2) *For the Navy, \$33,138,090,000.*

11                   (3) *For the Marine Corps, \$4,923,993,000.*

12                   (4) *For the Air Force, \$33,393,333,000.*

13                   (5) *For Defense-wide activities, \$22,732,978,000.*

14                   (6) *For the Army Reserve, \$2,508,062,000.*

15                   (7) *For the Naval Reserve, \$1,182,883,000.*

16                   (8) *For the Marine Corps Reserve, \$208,637,000.*

17                   (9) *For the Air Force Reserve, \$2,692,077,000.*

18                   (10) *For the Army National Guard,*  
19 *\$5,845,809,000.*

20                   (11) *For the Air National Guard,*  
21 *\$5,044,365,000.*

22                   (12) *For the United States Court of Appeals for*  
23 *the Armed Forces, \$11,971,000.*

24                   (13) *For Environmental Restoration, Army,*  
25 *\$434,879,000.*

1           (14) *For Environmental Restoration, Navy,*  
2           \$300,591,000.

3           (15) *For Environmental Restoration, Air Force,*  
4           \$458,428,000.

5           (16) *For Environmental Restoration, Defense-*  
6           *wide, \$12,751,000.*

7           (17) *For Environmental Restoration, Formerly*  
8           *Used Defense Sites, \$250,249,000.*

9           (18) *For Overseas Humanitarian, Disaster, and*  
10          *Civic Aid programs, \$103,300,000.*

11          (19) *For Cooperative Threat Reduction pro-*  
12          *grams, \$398,000,000.*

13          (20) *For the Overseas Contingency Operations*  
14          *Transfer Fund, \$5,000,000.*

15 **SEC. 302. WORKING CAPITAL FUNDS.**

16          *Funds are hereby authorized to be appropriated for fis-*  
17          *cal year 2008 for the use of the Armed Forces and other*  
18          *activities and agencies of the Department of Defense for*  
19          *providing capital for working capital and revolving funds*  
20          *in amounts as follows:*

21               (1) *For the Defense Working Capital Funds,*  
22               \$102,000,000.

23               (2) *For the National Defense Sealift Fund,*  
24               \$1,535,194,000.

1           (3) *For the Defense Working Capital Fund, De-*  
2           *fense Commissary, \$1,250,000,000.*

3 **SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

4           (a) *DEFENSE HEALTH PROGRAM.—Funds are hereby*  
5           *authorized to be appropriated for the Department of Defense*  
6           *for fiscal year 2008 for expenses, not otherwise provided for,*  
7           *for the Defense Health Program, in the amount of*  
8           *\$22,471,047,000, of which—*

9                   (1) *\$21,974,304,000 is for Operation and Main-*  
10            *tenance;*

11                   (2) *\$134,482,000 is for Research, Development,*  
12            *Test, and Evaluation; and*

13                   (3) *\$362,261,000 is for Procurement.*

14           (b) *CHEMICAL AGENTS AND MUNITIONS DESTRUC-*  
15            *TION, DEFENSE.—(1) Funds are hereby authorized to be ap-*  
16            *propriated for the Department of Defense for fiscal year*  
17            *2008 for expenses, not otherwise provided for, for Chemical*  
18            *Agents and Munitions Destruction, Defense, in the amount*  
19            *of \$1,455,724,000, of which—*

20                   (A) *\$1,162,452,000 is for Operation and Mainte-*  
21            *nance;*

22                   (B) *\$274,846,000 is for Research, Development,*  
23            *Test, and Evaluation; and*

24                   (C) *\$18,426,000 is for Procurement.*

1       (2) *Amounts authorized to be appropriated under*  
2 *paragraph (1) are authorized for—*

3           (A) *the destruction of lethal chemical agents and*  
4 *munitions in accordance with section 1412 of the De-*  
5 *partment of Defense Authorization Act, 1986 (50*  
6 *U.S.C. 1521); and*

7           (B) *the destruction of chemical warfare materiel*  
8 *of the United States that is not covered by section*  
9 *1412 of such Act.*

10       (c) *DRUG INTERDICTION AND COUNTER-DRUG ACTIVI-*  
11 *TIES, DEFENSE-WIDE.—Funds are hereby authorized to be*  
12 *appropriated for the Department of Defense for fiscal year*  
13 *2008 for expenses, not otherwise provided for, for Drug*  
14 *Interdiction and Counter-Drug Activities, Defense-wide, in*  
15 *the amount of \$936,822,000.*

16       (d) *DEFENSE INSPECTOR GENERAL.—Funds are here-*  
17 *by authorized to be appropriated for the Department of De-*  
18 *fense for fiscal year 2008 for expenses, not otherwise pro-*  
19 *vided for, for the Office of the Inspector General of the De-*  
20 *partment of Defense, in the amount of \$215,995,000, of*  
21 *which—*

22           (1) *\$214,995,000 is for Operation and Mainte-*  
23 *nance; and*

24           (2) *\$1,000,000 is for Procurement.*

1                   **Subtitle B—Environmental**  
2                   **Provisions**

3   **SEC. 311. REIMBURSEMENT OF ENVIRONMENTAL PROTEC-**  
4                   **TION AGENCY FOR CERTAIN COSTS IN CON-**  
5                   **NECTION WITH MOSES LAKE WELLFIELD**  
6                   **SUPERFUND SITE, MOSES LAKE, WASH-**  
7                   **INGTON.**

8           (a) *AUTHORITY TO REIMBURSE.*—Notwithstanding  
9   *section 2215 of title 10, United States Code, the Secretary*  
10 *of Defense may transfer not more than \$91,588.51 to the*  
11 *Moses Lake Wellfield Superfund Site 10–6J Special Ac-*  
12 *count for the purpose described in section 315(a)(2) of the*  
13 *John Warner National Defense Authorization Act for Fiscal*  
14 *Year 2007 (Public Law 110–364; 120 Stat. 2141).*

15           (b) *SOURCE OF FUNDS.*—Any payment under sub-  
16 *section (a) shall be made using funds authorized to be ap-*  
17 *propriated by section 301(16) for environmental restora-*  
18 *tion, defense-wide.*

19   **SEC. 312. REIMBURSEMENT OF ENVIRONMENTAL PROTEC-**  
20                   **TION AGENCY FOR CERTAIN COSTS IN CON-**  
21                   **NECTION WITH ARCTIC SURPLUS SUPER-**  
22                   **FUND SITE, FAIRBANKS, ALASKA.**

23           (a) *AUTHORITY TO REIMBURSE.*—Notwithstanding  
24 *section 2215 of title 10, United States Code, the Secretary*  
25 *of Defense may transfer not more than \$186,625.38 to the*

1 *Hazardous Substance Superfund to reimburse the Environ-*  
2 *mental Protection Agency for costs incurred pursuant to the*  
3 *agreement known as “In the Matter of Arctic Surplus*  
4 *Superfund Site, U.S. EPA Docket Number CERCLA–10–*  
5 *2003–0114: Administrative Order on Consent for Remedial*  
6 *Design and Remedial Action” and entered into by the De-*  
7 *partment of Defense and the Environmental Protection*  
8 *Agency on December 11, 2003.*

9 (b) *SOURCE OF FUNDS.—Any payment under sub-*  
10 *section (a) shall be made using funds authorized to be ap-*  
11 *propriated by section 301(16) for environmental restora-*  
12 *tion, defense-wide.*

13 **SEC. 313. PAYMENT TO ENVIRONMENTAL PROTECTION**  
14 **AGENCY OF STIPULATED PENALTY IN CON-**  
15 **NECTION WITH JACKSON PARK HOUSING**  
16 **COMPLEX, WASHINGTON.**

17 (a) *PAYMENT REQUIRED.—Notwithstanding section*  
18 *2215 of title 10, United States Code, the Secretary of the*  
19 *Navy may transfer not more than \$40,000.00 to the Haz-*  
20 *ardous Substance Superfund to pay a stipulated penalty*  
21 *assessed by the Environmental Protection Agency on Octo-*  
22 *ber 25, 2005, against the Jackson Park Housing Complex,*  
23 *Washington, for the failure of the Department of the Navy*  
24 *to timely submit a draft final Phase II Remedial Investiga-*  
25 *tion Work Plan for the Jackson Park Housing Complex Op-*

1 erable Unit (OU-3T-JPHC) pursuant to a schedule in-  
 2 cluded in an agreement entered into by the Department of  
 3 the Navy and the Environmental Protection Agency (U.S.  
 4 EPA Docket Number CERCLA-10-2005-0023).

5 (b) *SOURCE OF FUNDS.*—Any payment under sub-  
 6 section (a) shall be made using funds authorized to be ap-  
 7 propriated by section 301(14) for environmental restora-  
 8 tion, Navy.

9 ***Subtitle C—Workplace and Depot***  
 10 ***Issues***

11 ***SEC. 321. INCREASE IN THRESHOLD AMOUNT FOR CON-***  
 12 ***TRACTS FOR PROCUREMENT OF CAPITAL AS-***  
 13 ***SETS IN ADVANCE OF AVAILABILITY OF***  
 14 ***WORKING-CAPITAL FUNDS FOR THE PRO-***  
 15 ***CUREMENT.***

16 *Section 2208(k)(2) of title 10, United States Code, is*  
 17 *amended by striking “\$100,000” and inserting “\$250,000”.*

18 ***SEC. 322. AUTHORIZATION OF AVAILABILITY OF WORKING-***  
 19 ***CAPITAL FUNDS FOR CERTAIN PRODUCT IM-***  
 20 ***PROVEMENTS.***

21 *Section 2208 of title 10, United States Code, is amend-*  
 22 *ed by adding at the end the following new subsection:*

23 *“(s) PRODUCT IMPROVEMENT.—(1) An engineering*  
 24 *service, manufacturing effort, developmental testing, or*  
 25 *operational test and evaluation effort for product improve-*

1 *ment of a weapon system platform, major end item, compo-*  
2 *nent of a major end item, or article that is financed by*  
3 *a working-capital fund may be performed or acquired, if—*

4           “(A) *the combined cost of the engineering serv-*  
5 *ices, manufacturing efforts, development testings, and*  
6 *operational test and evaluation efforts for the product*  
7 *improvements that are financed by the working-cap-*  
8 *ital fund is less than \$15,000,000;*

9           “(B) *the unit cost of the platform, item, compo-*  
10 *nent, or article is less than \$1,000,000; and*

11           “(C) *the product improvement would improve*  
12 *the reliability and maintainability, extend the useful*  
13 *life, enhance safety, lower maintenance costs, provide*  
14 *performance enhancement, or expand the performance*  
15 *capability of the weapon system platform or major*  
16 *end item.*

17           “(2) *Funds described in paragraph (1) may be used*  
18 *in accordance with that paragraph for a commercial or in-*  
19 *dustrial type function performed as part of a public-private*  
20 *partnership at the Center of Industrial and Technical Ex-*  
21 *cellence designated under section 2474 of this title.*

22           “(3) *Each report submitted under subsection (q) for*  
23 *a working-capital fund shall include a description of any*  
24 *use of funds described in paragraph (1) that is financed*  
25 *by that working-capital fund and a description of the an-*

1 *ticipated product improvement under subparagraph (C) of*  
2 *that paragraph.”.*

3 **SEC. 323. AUTHORIZATION OF USE OF WORKING-CAPITAL**  
4 **FUNDS FOR ACQUISITION OF CERTAIN ITEMS.**

5 *Section 2208 of title 10, United States Code, as amend-*  
6 *ed by section 332, is further amended by adding at the end*  
7 *the following new subsection:*

8 *“(t) ACQUISITION THRESHOLD FOR WEAPONS SYSTEM*  
9 *MODIFICATION, IMPROVEMENT AND LIFECYCLE EXTEN-*  
10 *SION.— (1) Any of the following items may be provided*  
11 *through working-capital funds, if the item has a unit cost*  
12 *of not more than \$500,000:*

13 *“(A) An item that is materiel for supplies or*  
14 *supply chain management, assemblies, spare or re-*  
15 *pair parts, modification kits, or any other item of*  
16 *equipment to provide maintenance, repair, or over-*  
17 *haul and rework.*

18 *“(B) An item for continuous technology refresh-*  
19 *ment to provide newer technologies that improve reli-*  
20 *ability and maintainability, extend the useful life, en-*  
21 *hance safety, lower maintenance costs, provide per-*  
22 *formance enhancement, or expand the performance*  
23 *capability of a weapons system platform.*

24 *“(2) With respect to an item described in paragraph*  
25 *(1), the Secretary of each military department may increase*

1 *the acquisition threshold under paragraph (1) to an amount*  
2 *that does not exceed \$1,000,000, if the Secretary—*

3 *“(A) determines the increase is necessary to*  
4 *maintain core logistics capabilities required by sec-*  
5 *tion 2464 of this title; and*

6 *“(B) not later than 30 days after such an in-*  
7 *crease, notifies Congress of the increase and the rea-*  
8 *sons for the increase.*

9 *“(3) An item described in paragraph (1) may be an*  
10 *item used for a commercial- or industrial-type function per-*  
11 *formed at a Center of Industrial and Technical Excellence*  
12 *designated under section 2474 of this title.”.*

13 **SEC. 324. MODIFICATION TO PUBLIC-PRIVATE COMPETI-**  
14 **TION REQUIREMENTS BEFORE CONVERSION**  
15 **TO CONTRACTOR PERFORMANCE.**

16 *(a) COMPARISON OF RETIREMENT SYSTEM COSTS.—*  
17 *Section 2461(a)(1) of title 10, United States Code is amend-*  
18 *ed—*

19 *(1) in subparagraph (F), by striking “and” at*  
20 *the end;*

21 *(2) by redesignating subparagraph (G) as sub-*  
22 *paragraph (H); and*

23 *(3) by inserting after subparagraph (F) the fol-*  
24 *lowing new subparagraph (G):*

1           “(G) requires that the contractor shall not receive  
2           an advantage for a proposal that would reduce costs  
3           for the Department of Defense by—

4                   “(i) not making an employer-sponsored  
5                   health insurance plan (or payment that could be  
6                   used in lieu of such a plan), health savings ac-  
7                   count, or medical savings account, available to  
8                   the workers who are to be employed to perform  
9                   the function under the contract;

10                   “(ii) offering to such workers an employer-  
11                   sponsored health benefits plan that requires the  
12                   employer to contribute less towards the premium  
13                   or subscription share than the amount that is  
14                   paid by the Department of Defense for health  
15                   benefits for civilian employees of the Department  
16                   under chapter 89 of title 5; or

17                   “(iii) offering to such workers a retirement  
18                   benefit that, in any year, costs less than the an-  
19                   nual retirement cost factor applicable to civilian  
20                   employees of the Department of Defense under  
21                   chapter 84 of title 5; and”.

22           (b) CONFORMING AMENDMENTS.—Such title is further  
23 amended—

24                   (1) by striking section 2467; and

25                   (2) in section 2461—

1                   (A) by redesignating subsections (b) through  
2                   (d) as subsections (c) through (e); and

3                   (B) by inserting after subsection (a) the fol-  
4                   lowing new subsection (b):

5           “(b) *REQUIREMENT TO CONSULT DOD EMPLOYEES.*—

6   (1) *Each officer or employee of the Department of Defense*  
7 *responsible for determining under Office of Management*  
8 *and Budget Circular A-76 whether to convert to contractor*  
9 *performance any function of the Department of Defense—*

10           “(A) *shall, at least monthly during the develop-*  
11 *ment and preparation of the performance work state-*  
12 *ment and the management efficiency study used in*  
13 *making that determination, consult with civilian em-*  
14 *ployees who will be affected by that determination*  
15 *and consider the views of such employees on the devel-*  
16 *opment and preparation of that statement and that*  
17 *study; and*

18           “(B) *may consult with such employees on other*  
19 *matters relating to that determination.*

20           “(2)(A) *In the case of employees represented by a labor*  
21 *organization accorded exclusive recognition under section*  
22 *7111 of title 5, consultation with representatives of that*  
23 *labor organization shall satisfy the consultation require-*  
24 *ment in paragraph (1).*

1       “(B) In the case of employees other than employees re-  
2       ferred to in subparagraph (A), consultation with appro-  
3       priate representatives of those employees shall satisfy the  
4       consultation requirement in paragraph (1).

5       “(C) The Secretary of Defense shall prescribe regula-  
6       tions to carry out this subsection. The regulations shall in-  
7       clude provisions for the selection or designation of appro-  
8       priate representatives of employees referred to in paragraph  
9       (2)(B) for purposes of consultation required by paragraph  
10      (1)”.

11      (c) *TECHNICAL AMENDMENTS.*—Section 2461 of such  
12      title, as amended by subsection (a) is further amended—

13              (1) in subsection (a)(1)—

14                      (A) in subparagraph (B), by inserting after  
15                      “2003” the following: “, or any successor cir-  
16                      cular”; and

17                      (B) in subparagraph (D), by striking “and  
18                      reliability” and inserting “, reliability, and  
19                      timeliness”; and

20              (2) in subsection (c)(2), as redesignated under  
21      subsection (b)(2), by inserting “of” after “examina-  
22      tion”.

1 **SEC. 325. PUBLIC-PRIVATE COMPETITION AT END OF PE-**  
2 **RIOD SPECIFIED IN PERFORMANCE AGREE-**  
3 **MENT NOT REQUIRED.**

4 *Section 2461(a) of title 10, United States Code, is*  
5 *amended by adding at the end the following new paragraph:*

6 *“(4) A public-private competition may not be re-*  
7 *quired under Office of Management and Budget Cir-*  
8 *cular A-76 or any other provision of law at the end*  
9 *of the period specified in the performance agreement*  
10 *for any function of the Department of Defense per-*  
11 *formed by Department of Defense civilian employ-*  
12 *ees.”.*

13 **SEC. 326. GUIDELINES ON INSOURCING NEW AND CON-**  
14 **TRACTED OUT FUNCTIONS.**

15 *(a) CODIFICATION AND REVISION OF REQUIREMENT*  
16 *FOR GUIDELINES.—*

17 *(1) IN GENERAL.—Chapter 146 of title 10,*  
18 *United States Code, is amended by inserting after sec-*  
19 *tion 2462 the following new section:*

20 **“§2463. Guidelines for use of civilian employees to**  
21 **perform Department of Defense functions**

22 *“(a) GUIDELINES REQUIRED.—The Under Secretary*  
23 *of Defense for Personnel and Readiness shall devise and im-*  
24 *plement guidelines to ensure that consideration is given to*  
25 *using, on a regular basis, civilian employees of the Depart-*  
26 *ment of Defense to perform new functions and functions*

1 *that are performed by contractors and could be performed*  
2 *by such civilian employees. The Secretary of a military de-*  
3 *partment may prescribe regulations, if the Secretary deter-*  
4 *mines such regulations are necessary for implementing such*  
5 *guidelines within that military department.*

6       “(b) *SPECIAL CONSIDERATION FOR CERTAIN FUNC-*  
7 *TIONS.—The guidelines implemented under subsection (a)*  
8 *shall provide for special consideration to be given to using*  
9 *civilian employees of the Department of Defense to perform*  
10 *any function that—*

11       “(1) *was performed by a civilian employee of the De-*  
12 *partment of Defense at any time on or after October 1,*  
13 *1980;*

14       “(2) *is associated with the performance of an inher-*  
15 *ently governmental function (as that term is defined in sec-*  
16 *tion 5 of the Federal Activities Inventory Reform Act of*  
17 *1998 (31 U.S.C. 501 note));*

18       “(3) *has been performed by a contractor pursuant to*  
19 *a contract awarded on a non-competitive basis; or*

20       “(4) *has been performed poorly by a contractor because*  
21 *of excessive costs or inferior quality, as determined by a*  
22 *contracting officer.*

23       “(c) *EXCLUSION OF CERTAIN FUNCTIONS FROM COM-*  
24 *PETITIONS.—No public-private competition may be re-*

1 *quired under this chapter for any function of the Depart-*  
2 *ment of Defense that—*

3       “(1) *is associated with the performance of an inher-*  
4 *ently governmental function;*

5       “(2) *has been performed by a contractor pursuant to*  
6 *a contract that was awarded on a noncompetitive basis, in-*  
7 *cluding a contract awarded without the conduct of a public-*  
8 *private competition under this section; or*

9       “(3) *has been performed poorly by a contractor because*  
10 *of excessive costs or inferior quality, as determined by a*  
11 *contracting officer.*

12       “(d) *LIMITATION ON COMPETITIONS FOR NEW AND EX-*  
13 *PANDED FUNCTIONS.—(1) A public-private competition*  
14 *may not be conducted under this section for any Depart-*  
15 *ment of Defense function before—*

16               “(A) *the commencement of the performance by*  
17 *civilian employees of the Department of Defense of a*  
18 *new Department of Defense function;*

19               “(B) *the commencement of the performance by*  
20 *civilian employees of the Department of Defense of*  
21 *any Department of Defense function pursuant to the*  
22 *guidelines implemented under subsection (a);*

23               “(C) *the expansion of the scope of any Depart-*  
24 *ment of Defense function performed by civilian em-*  
25 *ployees of the Department of Defense.*

1           “(2) *The Secretary may use the flexible hiring author-*  
2 *ity available to the Secretary under the National Security*  
3 *Personnel System, as established pursuant to section 9902*  
4 *of title 5 to facilitate the performance by civilian employees*  
5 *of the Department of Defense of functions described in sub-*  
6 *section (b).”.*

7           (2) *CLERICAL AMENDMENT.—The table of sec-*  
8 *tions at the beginning of such chapter is amended by*  
9 *inserting after the item relating to section 2462 the*  
10 *following new item:*

*“2463. Guidelines for use of civilian employees to perform Department of Defense functions.”.*

11           (3) *DEADLINE FOR ISSUANCE OF GUIDELINES.—*

12           (A) *DEADLINE.—The Secretary of Defense*  
13 *shall implement the guidelines required under*  
14 *section 2463 of title 10, United States Code, as*  
15 *added by paragraph (1), by not later than 60*  
16 *days after the date of the enactment of this Act.*

17           (B) *MORATORIUM ON COMPETITIONS UNTIL*  
18 *GUIDELINES ARE IMPLEMENTED.—No study or*  
19 *competition may be begun or announced pursu-*  
20 *ant to section 2461 of title 10, United States*  
21 *Code, or otherwise pursuant to Office of Manage-*  
22 *ment and Budget Circular A-76 relating to the*  
23 *possible conversion to performance by a con-*  
24 *tractor of any Department of Defense function*

1           *until the guidelines required under section 2463*  
2           *of such title, as added by paragraph (1) are im-*  
3           *plemented.*

4           **(b) ESTABLISHMENT OF INVENTORY OF WORK PER-**  
5           **FORMED BY CONTRACTORS.**—*Section 115a of title 10,*  
6           *United States Code is amended—*

7           *(1) in subsection (a)—*

8                   *(A) by striking “and” at the end of para-*  
9                   *graph (1);*

10                   *(B) by striking the period at the end of*  
11                   *paragraph (2) and inserting “; and”;*

12                   *(C) by adding at the end the following new*  
13                   *paragraph:*

14                   *“(3) the estimated manpower requirements of*  
15                   *each component of the Department of Defense pro-*  
16                   *jected to be met by contractor performance of Depart-*  
17                   *ment of Defense functions and the estimated funding*  
18                   *requirements associated with such contractor perform-*  
19                   *ance for the next fiscal year.”.*

20                   *(2) by adding at the end the following new sub-*  
21                   *section:*

22                   *“(i) In each report, the Secretary shall include for each*  
23                   *military department, combatant command, and major de-*  
24                   *fense organization, a separate report describing contractor*  
25                   *performance of Department of Defense functions during the*

1 preceding fiscal year. Chapter 35 of title 44 shall not apply  
2 to such report. In each such report, the Secretary shall—

3 “(1) specify the number of work-year equivalents  
4 performed by contractors in performing functions for  
5 each Department;

6 “(2) identify the contracting organization, the  
7 component of the Department of Defense admin-  
8 istering the contract, and the organization whose re-  
9 quirements are being met through the contractor per-  
10 formance of the function, with an explanation in the  
11 event these organizational elements are distinct.

12 “(3) identify each organization specified under  
13 paragraph (2) at the unit level of detail, as main-  
14 tained in the Department’s manpower documentation  
15 systems;

16 “(4) identify the funding source for the contract  
17 under which the function is performed by appropria-  
18 tion and operating agency, and the associated fund-  
19 ing levels obligated and disbursed for the reported  
20 work-year equivalents;

21 “(5) identify the functions and missions per-  
22 formed by the contractor;

23 “(6) specify whether the contract for the function  
24 was entered into pursuant to a public-private com-  
25 petition; and

1           “(7) describe the process by which the Depart-  
2           ment of Defense validates the contractor performance  
3           of such functions under section 2463 of this title.”.

4           (c) *CONFORMING REPEAL.*—*The National Defense Au-*  
5           *thorization Act for Fiscal Year 2006 (Public Law 109-163)*  
6           *is amended by striking section 343.*

7           (d) *INSPECTOR GENERAL REPORT.*—*Not later than 90*  
8           *days after the date of the enactment of this Act, the Inspec-*  
9           *tor General of the Department of Defense shall submit to*  
10           *the congressional defense committees a report on the imple-*  
11           *mentation of this section and the amendments made by this*  
12           *section. The report shall contain the assessment of the In-*  
13           *spector General of whether—*

14                   (1) *the guidelines required under section 2463(a)*  
15                   *of title 10, United States Code, as added by subsection*  
16                   *(a), have been implemented;*

17                   (2) *such guidelines, if developed, conform to the*  
18                   *requirements of that section;*

19                   (3) *a contractor inventory has been established*  
20                   *pursuant to subsections (a)(3) and (i) of section 115a*  
21                   *of such title, as added by subsection (b);*

22                   (4) *functions for which the performance of which*  
23                   *the Secretary of Defense has entered into a contract*  
24                   *are being reviewed on a regular basis for possible con-*

1        *version to performance by civilian employees of the*  
2        *Department of Defense; and*

3                *(5) performance by civilian employees of the De-*  
4        *partment of Defense is being considered to the max-*  
5        *imum extent practicable for all new functions of the*  
6        *Department of Defense.*

7        **SEC. 327. ADDITIONAL REQUIREMENTS FOR ANNUAL RE-**  
8                        **PORT ON PUBLIC-PRIVATE COMPETITIONS.**

9        *Paragraph (1) of subsection (b) of section 2462 is*  
10        *amended by adding at the end the following new para-*  
11        *graphs:*

12                *“(4) For any function converted to performance*  
13        *by a contractor, the effect of such conversion on the*  
14        *quality of the performance of the function.*

15                *“(5) For any function for which a public-private*  
16        *competition is anticipated during any subsequent fis-*  
17        *cal year, an assessment of whether any method of*  
18        *business reform or reengineering other than a public-*  
19        *private competition, including a decision to consoli-*  
20        *date, restructure, or reengineer an organization, func-*  
21        *tion, or activity covered under section 2475 of this*  
22        *title, could, if implemented in the future, achieve any*  
23        *anticipated or budgeted savings.”.*

1 **SEC. 328. RESTRICTION ON OFFICE OF MANAGEMENT AND**  
2 **BUDGET INFLUENCE OVER DEPARTMENT OF**  
3 **DEFENSE PUBLIC-PRIVATE COMPETITIONS.**

4 (a) *RESTRICTION ON OFFICE OF MANAGEMENT AND*  
5 *BUDGET.*—*The Office of Management and Budget may not*  
6 *direct or require the Secretary of Defense or the Secretary*  
7 *of a military department to prepare for, undertake, con-*  
8 *tinue, or complete a public-private competition or direct*  
9 *conversion of a Department of Defense function to perform-*  
10 *ance by a contractor under Office of Management and*  
11 *Budget Circular A-76, or any other successor regulation,*  
12 *directive, or policy.*

13 (b) *RESTRICTION ON SECRETARY OF DEFENSE.*—*The*  
14 *Secretary of Defense or the Secretary of a military depart-*  
15 *ment may not prepare for, undertake, continue, or complete*  
16 *a public-private competition or direct conversion of a De-*  
17 *partment of Defense function to performance by a con-*  
18 *tractor under Office of Management and Budget Circular*  
19 *A-76, or any other successor regulation, directive, or policy*  
20 *by reason of any direction or requirement provided by the*  
21 *Office of Management and Budget.*

22 (c) *SUSPENSION AND REVIEW OF ONGOING PUBLIC-*  
23 *PRIVATE COMPETITIONS.*—

24 (1) *SUSPENSION.*—*During the 90-day period*  
25 *that begins on the date of the enactment of this Act,*  
26 *the Secretary of Defense shall suspend any review or*

1 *public-private competition pursuant to Office of Man-*  
2 *agement and Budget Circular A-76 that is being car-*  
3 *ried out on the date of the enactment of this Act.*

4 (2) *REVIEW.*—*During the 90-day period de-*  
5 *scribed in paragraph (1), the Secretary of Defense*  
6 *shall review each suspended review and public-private*  
7 *competition and shall determine, wholly independ-*  
8 *ently and without regard to direction, guidance, en-*  
9 *couragement, or requirement from the Office of Man-*  
10 *agement and Budget, whether to cancel or continue*  
11 *each review or public-private competition.*

12 (3) *CRITERIA FOR CONTINUATION.*—*The Sec-*  
13 *retary of Defense may not continue a review or pub-*  
14 *lic-private competition pursuant to a determination*  
15 *under paragraph (2) unless the official responsible for*  
16 *the performance of the function and the Secretary of*  
17 *the military department concerned or agency head*  
18 *submits to the congressional defense committees a cer-*  
19 *tification that the determination was made wholly*  
20 *independently and without regard to direction, guid-*  
21 *ance, encouragement, or requirement from the Office*  
22 *of Management and Budget and after considering less*  
23 *costly and controversial alternatives to such review or*  
24 *public-private competition.*

1 **SEC. 329. BID PROTESTS BY FEDERAL EMPLOYEES IN AC-**  
2 **TIONS UNDER OFFICE OF MANAGEMENT**  
3 **BUDGET CIRCULAR A-76.**

4 (a) *ELIGIBILITY TO PROTEST PUBLIC-PRIVATE COM-*  
5 *PETITIONS.*—Section 3551(2) of title 31, United States  
6 Code, is amended to read as follows:

7 “(2) The term ‘interested party’—

8 “(A) with respect to a contract or a solicita-  
9 tion or other request for offers described in para-  
10 graph (1), means an actual or prospective bidder  
11 or offeror whose direct economic interest would  
12 be affected by the award of the contract or by  
13 failure to award the contract; and

14 “(B) with respect to a public-private com-  
15 petition conducted under Office of Management  
16 and Budget Circular A-76 with respect to the  
17 performance of an activity or function of a Fed-  
18 eral agency, or a decision to convert a function  
19 performed by Federal employees to private sector  
20 performance without a competition under Office  
21 of Management and Budget Circular A-76, in-  
22 cludes—

23 “(i) any official who submitted the  
24 agency tender in such competition; and

25 “(ii) any one individual who, for the  
26 purpose of representing the Federal employ-

1           ees engaged in the performance of the activ-  
 2           ity or function for which the public-private  
 3           competition is conducted in a protest under  
 4           this subchapter that relates to such public-  
 5           private competition, has been designated as  
 6           the agent of the Federal employees by a ma-  
 7           jority of such employees.”.

8           (b) *EXPEDITED ACTION*.—

9           (1) *IN GENERAL*.—Subchapter V of chapter 35 of  
 10          such title is amended by adding at the end the fol-  
 11          lowing new section:

12       **“SEC. 3557. EXPEDITED ACTION IN PROTESTS OF PUBLIC-**  
 13       **PRIVATE COMPETITIONS.**

14       *“For any protest of a public-private competition con-*  
 15       *ducted under Office of Management and Budget Circular*  
 16       *A-76 with respect to the performance of an activity or func-*  
 17       *tion of a Federal agency, the Comptroller General shall ad-*  
 18       *minister the provisions of this subchapter in the manner*  
 19       *best suited for expediting the final resolution of the protest*  
 20       *and the final action in the public-private competition.”.*

21       (2) *CLERICAL AMENDMENT*.—The chapter anal-  
 22       ysis at the beginning of such chapter is amended by  
 23       inserting after the item relating to section 3556 the  
 24       following new item:

“3557. *Expedited action in protests of public-private competitions.*”.

1       **(b) RIGHT TO INTERVENE IN CIVIL ACTION.**—Section  
2 1491(b) of title 28, United States Code, is amended by add-  
3 ing at the end the following new paragraph:

4           “(5) If an interested party who is a member of  
5 the private sector commences an action described in  
6 paragraph (1) with respect to a public-private com-  
7 petition conducted under Office of Management and  
8 Budget Circular A-76 regarding the performance of  
9 an activity or function of a Federal agency, or a deci-  
10 sion to convert a function performed by Federal em-  
11 ployees to private sector performance without a com-  
12 petition under Office of Management and Budget Cir-  
13 cular A-76, then an interested party described in sec-  
14 tion 3551(2)(B) of title 31 shall be entitled to inter-  
15 vene in that action.”.

16       **(c) APPLICABILITY.**—Subparagraph (B) of section  
17 3551(2) of title 31, United States Code (as added by sub-  
18 section (a)), and paragraph (5) of section 1491(b) of title  
19 28, United States Code (as added by subsection (c)), shall  
20 apply to—

21           (1) a protest or civil action that challenges final  
22 selection of the source of performance of an activity  
23 or function of a Federal agency that is made pursu-  
24 ant to a study initiated under Office of Management

1       *and Budget Circular A-76 on or after January 1,*  
 2       *2004; and*

3               *(2) any other protest or civil action that relates*  
 4       *to a public-private competition initiated under Office*  
 5       *of Management and Budget Circular A-76, or to a de-*  
 6       *cision to convert a function performed by Federal em-*  
 7       *ployees to private sector performance without a com-*  
 8       *petition under Office of Management and Budget Cir-*  
 9       *cular A-76, on or after the date of the enactment of*  
 10       *this Act.*

11 **SEC. 330. PUBLIC-PRIVATE COMPETITION REQUIRED BE-**  
 12               **FORE CONVERSION TO CONTRACTOR PER-**  
 13               **FORMANCE.**

14       *(a) IN GENERAL.—The Office of Federal Procurement*  
 15       *Policy Act (41 U.S.C. 403 et seq.) is amended by adding*  
 16       *at the end the following new section:*

17 **“SEC. 43. PUBLIC-PRIVATE COMPETITION REQUIRED BE-**  
 18               **FORE CONVERSION TO CONTRACTOR PER-**  
 19               **FORMANCE.**

20       *“(a) PUBLIC-PRIVATE COMPETITION.—(1) A function*  
 21       *of an executive agency performed by 10 or more agency ci-*  
 22       *vilian employees may not be converted, in whole or in part,*  
 23       *to performance by a contractor unless the conversion is*  
 24       *based on the results of a public-private competition that—*

1           “(A) formally compares the cost of performance  
2 of the function by agency civilian employees with the  
3 cost of performance by a contractor;

4           “(B) creates an agency tender, including a most  
5 efficient organization plan, in accordance with Office  
6 of Management and Budget Circular A-76, as imple-  
7 mented on May 29, 2003, or any successor circular;

8           “(C) includes the issuance of a solicitation;

9           “(D) determines whether the submitted offers  
10 meet the needs of the executive agency with respect to  
11 factors other than cost, including quality, reliability,  
12 and timeliness;

13           “(E) examines the cost of performance of the  
14 function by agency civilian employees and the cost of  
15 performance of the function by one or more contrac-  
16 tors to demonstrate whether converting to performance  
17 by a contractor will result in savings to the Govern-  
18 ment over the life of the contract, including—

19           “(i) the estimated cost to the Government  
20 (based on offers received) for performance of the  
21 function by a contractor;

22           “(ii) the estimated cost to the Government  
23 for performance of the function by agency civil-  
24 ian employees; and

1           “(iii) an estimate of all other costs and ex-  
2           penditures that the Government would incur be-  
3           cause of the award of such a contract;

4           “(F) requires continued performance of the func-  
5           tion by agency civilian employees unless the difference  
6           in the cost of performance of the function by a con-  
7           tractor compared to the cost of performance of the  
8           function by agency civilian employees would, over all  
9           performance periods required by the solicitation, be  
10          equal to or exceed the lesser of—

11                  “(i) 10 percent of the personnel-related costs  
12                  for performance of that function in the agency  
13                  tender; or

14                  “(ii) \$10,000,000; and

15           “(G) examines the effect of performance of the  
16           function by a contractor on the agency mission asso-  
17           ciated with the performance of the function.

18          “(2) A function that is performed by the executive  
19          agency and is reengineered, reorganized, modernized, up-  
20          graded, expanded, or changed to become more efficient, but  
21          still essentially provides the same service, shall not be con-  
22          sidered a new requirement.

23          “(3) In no case may a function being performed by  
24          executive agency personnel be—

1           “(A) *modified, reorganized, divided, or in any*  
2           *way changed for the purpose of exempting the conver-*  
3           *sion of the function from the requirements of this sec-*  
4           *tion; or*

5           “(B) *converted to performance by a contractor to*  
6           *circumvent a civilian personnel ceiling.*

7           “(b) *REQUIREMENT TO CONSULT EMPLOYEES.—(1)*  
8           *Each civilian employee of an executive agency responsible*  
9           *for determining under Office of Management and Budget*  
10          *Circular A-76 whether to convert to contractor performance*  
11          *any function of the executive agency—*

12           “(A) *shall, at least monthly during the develop-*  
13           *ment and preparation of the performance work state-*  
14           *ment and the management efficiency study used in*  
15           *making that determination, consult with civilian em-*  
16           *ployees who will be affected by that determination*  
17           *and consider the views of such employees on the devel-*  
18           *opment and preparation of that statement and that*  
19           *study; and*

20           “(B) *may consult with such employees on other*  
21           *matters relating to that determination.*

22           “(2)(A) *In the case of employees represented by a labor*  
23           *organization accorded exclusive recognition under section*  
24           *7111 of title 5, consultation with representatives of that*

1 *labor organization shall satisfy the consultation require-*  
2 *ment in paragraph (1).*

3       “(B) *In the case of employees other than employees re-*  
4 *ferred to in subparagraph (A), consultation with appro-*  
5 *priate representatives of those employees shall satisfy the*  
6 *consultation requirement in paragraph (1).*

7       “(C) *The head of each executive agency shall prescribe*  
8 *regulations to carry out this subsection. The regulations*  
9 *shall include provisions for the selection or designation of*  
10 *appropriate representatives of employees referred to in*  
11 *paragraph (2)(B) for purposes of consultation required by*  
12 *paragraph (1).*

13       “(c) *CONGRESSIONAL NOTIFICATION.—(1) Before com-*  
14 *mencing a public-private competition under subsection (a),*  
15 *the head of an executive agency shall submit to Congress*  
16 *a report containing the following:*

17               “(A) *The function for which such public-private*  
18 *competition is to be conducted.*

19               “(B) *The location at which the function is per-*  
20 *formed by agency civilian employees.*

21               “(C) *The number of agency civilian employee po-*  
22 *sitions potentially affected.*

23               “(D) *The anticipated length and cost of the pub-*  
24 *lic-private competition, and a specific identification*  
25 *of the budgetary line item from which funds will be*

1       *used to cover the cost of the public-private competi-*  
2       *tion.*

3               “(E) *A certification that a proposed performance*  
4       *of the function by a contractor is not a result of a*  
5       *decision by an official of an executive agency to im-*  
6       *pose predetermined constraints or limitations on such*  
7       *employees in terms of man years, end strengths, full-*  
8       *time equivalent positions, or maximum number of*  
9       *employees.*

10       “(2) *The report required under paragraph (1) shall in-*  
11       *clude an examination of the potential economic effect of per-*  
12       *formance of the function by a contractor on—*

13               “(A) *agency civilian employees who would be af-*  
14       *ected by such a conversion in performance; and*

15               “(B) *the local community and the Government,*  
16       *if more than 50 agency civilian employees perform*  
17       *the function.*

18               “(3)(A) *A representative individual or entity at*  
19       *a facility where a public-private competition is con-*  
20       *ducted may submit to the head of the executive agency*  
21       *an objection to the public private competition on the*  
22       *grounds that the report required by paragraph (1)*  
23       *has not been submitted or that the certification re-*  
24       *quired by paragraph (1)(E) is not included in the re-*  
25       *port submitted as a condition for the public private*

1 *competition. The objection shall be in writing and*  
2 *shall be submitted within 90 days after the following*  
3 *date:*

4 *“(i) In the case of a failure to submit the*  
5 *report when required, the date on which the rep-*  
6 *resentative individual or an official of the rep-*  
7 *resentative entity authorized to pose the objection*  
8 *first knew or should have known of that failure.*

9 *“(ii) In the case of a failure to include the*  
10 *certification in a submitted report, the date on*  
11 *which the report was submitted to Congress.*

12 *“(B) If the head of the executive agency deter-*  
13 *mines that the report required by paragraph (1) was*  
14 *not submitted or that the required certification was*  
15 *not included in the submitted report, the function for*  
16 *which the public-private competition was conducted*  
17 *for which the objection was submitted may not be the*  
18 *subject of a solicitation of offers for, or award of, a*  
19 *contract until, respectively, the report is submitted or*  
20 *a report containing the certification in full compli-*  
21 *ance with the certification requirement is submitted.*

22 *“(d) EXEMPTION FOR THE PURCHASE OF PRODUCTS*  
23 *AND SERVICES OF THE BLIND AND OTHER SEVERELY*  
24 *HANDICAPPED PERSONS.—This section shall not apply to*

1 *a commercial or industrial type function of an executive*  
 2 *agency that—*

3           “(1) *is included on the procurement list estab-*  
 4 *lished pursuant to section 2 of the Javits-Wagner-*  
 5 *O’Day Act (41 U.S.C. 47); or*

6           “(2) *is planned to be changed to performance by*  
 7 *a qualified nonprofit agency for the blind or by a*  
 8 *qualified nonprofit agency for other severely handi-*  
 9 *capped persons in accordance with that Act.*

10           “(e) *INAPPLICABILITY DURING WAR OR EMER-*  
 11 *GENCY.—The provisions of this section shall not apply dur-*  
 12 *ing war or during a period of national emergency declared*  
 13 *by the President or Congress.”.*

14           “(b) *CLERICAL AMENDMENT.—The table of sections in*  
 15 *section 1(b) of such Act is amended by adding at the end*  
 16 *the following new item:*

*“Sec. 43. Public-private competition required before conversion to contractor per-*  
*formance.”.*

17 **SEC. 331. REAUTHORIZATION AND MODIFICATION OF**  
 18 **MULTI-TRADES DEMONSTRATION PROJECT.**

19           “(a) *REAUTHORIZATION AND EXPANSION.—Section 338*  
 20 *of the National Defense Authorization Act for Fiscal Year*  
 21 *2004 (10 U.S.C. 5013 note) is amended—*

22                   “(1) *in subsection (a)—*

23                           “(A) *by striking “shall” and inserting*  
 24                           *“may”; and*

1           (B) by striking “three Naval Aviation De-  
2           pots” and inserting “the Air Force Air Logistics  
3           Centers and the Navy Fleet Readiness Centers”;

4           (2) in subsection (b), by striking “a Naval Avia-  
5           tion Depot” and inserting “an Air Force Air Logis-  
6           tics Center or Navy Fleet Readiness Center”;

7           (3) by striking subsection (d) and redesignating  
8           subsections (e) through (g) as subsections (d) through  
9           (f), respectively;

10          (4) in subsection (d), as so redesignated, by  
11          striking “2004 through 2006” and inserting “2008  
12          through 2013”;

13          (5) in subsection (e), as so redesignated, by strik-  
14          ing “2007” and inserting “2014”; and

15          (6) by amending subsection (f), as so redesi-  
16          gnated, to read as follows:

17          “(f) ANNUAL GAO REPORT.—By not later than 30  
18          days after the last day of a fiscal year, the Comptroller Gen-  
19          eral shall submit to the congressional defense committees a  
20          report on the demonstration project under this section.”.

21          (b) CLERICAL AMENDMENTS.—

22          (1) HEADING.—The heading for such section is  
23          amended to read as follows: “**AIR FORCE AIR LO-**  
24          **GISTICS CENTER AND NAVY FLEET READINESS**”

1       **CENTER   MULTI-TRADES   DEMONSTRATION**  
2       **PROJECT”**.

3               (2) *TABLE OF CONTENTS.*—*The items relating to*  
4       *such section in the table of contents in section 2(b) of*  
5       *such Act and in the table of contents at the beginning*  
6       *of title III of such Act are each amended to read as*  
7       *follows:*

      “*Sec. 338. Air Force Logistics Center and Navy Fleet Readiness Center multi-*  
      *trades demonstration project.*”.

8       ***Subtitle D—Extension of Program***  
9               ***Authorities***

10   **SEC. 341. EXTENSION OF ARSENAL SUPPORT PROGRAM INI-**  
11               ***TIATIVE.***

12       *Section 343 of the Floyd D. Spence National Defense*  
13   *Authorization Act for Fiscal Year 2001 (Public Law 106-*  
14   *398; 10 U.S.C. 4551 note) is amended—*

15               (1) *in subsection (a), by striking “2008” and in-*  
16       *serting “2010”; and*

17               (2) *in subsection (g)(1), by striking “2008” and*  
18       *inserting “2010”.*

1 **SEC. 342. EXTENSION OF PERIOD FOR REIMBURSEMENT**  
2 **FOR HELMET PADS PURCHASED BY MEMBERS**  
3 **OF THE ARMED FORCES DEPLOYED IN CON-**  
4 **TINGENCY OPERATIONS.**

5 (a) *EXTENSION.*—Section 351 of the Ronald W.  
6 Reagan National Defense Authorization Act for Fiscal Year  
7 2005 (Public Law 108–375; 118 Stat. 1857) is amended—

8 (1) in subsection (a)(3), by inserting before the  
9 period at the end the following: “, or in the case of  
10 protective helmet pads purchased by a member from  
11 a qualified vendor for that member’s personal use, on  
12 September 30, 2007”;

13 (2) in subsection (c)—

14 (A) by inserting after “Armed Forces” the  
15 following: “shall comply with regular Depart-  
16 ment of Defense procedures for the submission of  
17 claims and”; and

18 (B) by inserting before the period at the end  
19 the following: “or one year after the date on  
20 which the purchase of the protective, safety, or  
21 health equipment was made, whichever occurs  
22 last”; and

23 (3) in subsection (d), by adding at the end the  
24 following new sentence: “Subsection (a)(1) shall not  
25 apply in the case of the purchase of protective helmet  
26 pads by or on behalf of a member.”.

1       (b) *FUNDING.*—Amounts for reimbursements made  
 2 under section 351 of the Ronald W. Reagan National De-  
 3 fense Authorization Act for Fiscal Year 2005 after the date  
 4 of the enactment of this Act shall be derived from supple-  
 5 mental appropriations for the Department of Defense for  
 6 fiscal year 2008, contingent upon such appropriations  
 7 being enacted.

### 8                                   **Subtitle E—Reports**

#### 9   **SEC. 351. INCLUSION OF NATIONAL GUARD READINESS FOR** 10                                   **CIVIL SUPPORT MISSIONS IN QUARTERLY** 11                                   **PERSONNEL AND UNIT READINESS REPORT.**

12       (a) *INCLUSION.*—Section 482 of title 10, United States  
 13 Code, is amended—

14                   (1) by redesignating subsection (f) as subsection

15       (h);

16                   (2) by inserting after subsection (e) the following  
 17 new subsections (f) and (g):

18       “(f) *READINESS OF NATIONAL GUARD TO PERFORM*  
 19 *CIVIL SUPPORT MISSIONS.*—Each report shall also include  
 20 an assessment of the readiness of the National Guard to  
 21 perform tasks required to support the National Response  
 22 Plan for support to civil authorities.

23       “(g) *AVAILABILITY OF NATIONAL GUARD READINESS*  
 24 *INFORMATION TO STATES.*—With respect to the information  
 25 required to be included in a report under subsection (f) that

1 *is relevant to the National Guard of a State, the Secretary*  
2 *of Defense shall make that information available to the Gov-*  
3 *ernor of the State.”; and*

4           (3) *in subsection (a), by striking “subsections*  
5 *(b), (d), and (e)” and inserting “subsections (b), (d),*  
6 *(e), and (f)”.*

7           (b) *EFFECTIVE DATE.—The amendments made by sub-*  
8 *section (a) shall apply with respect to a report submitted*  
9 *after the date of the enactment of this Act.*

10           (c) *REPORT TO CONGRESS.—As part of the budget jus-*  
11 *tification materials submitted to Congress in support of the*  
12 *President’s budget for fiscal year 2009, the Secretary of De-*  
13 *fense shall submit to the congressional defense committees*  
14 *a report on any steps the Secretary has taken to prepare*  
15 *to implement the requirement under subsection (f) of section*  
16 *482 of title 10, United States Code, as added by subsection*  
17 *(a). The report shall include a description of the Secretary’s*  
18 *plans for assessing the personnel, equipment, and training*  
19 *readiness of the National Guard, including the standards*  
20 *and measures that will be applied and mechanisms for*  
21 *sharing information with State Governors.*

22 **SEC. 352. PLAN TO IMPROVE READINESS OF ACTIVE AND**  
23 **RESERVE COMPONENT GROUND FORCES.**

24           (a) *REPORT REQUIRED.—At the same time that the*  
25 *budget is submitted under section 1105(a) of title 31,*

1 *United States Code, for a fiscal year, the Secretary of De-*  
2 *fense shall submit to the congressional defense committees*  
3 *a report on improving the readiness of the active and re-*  
4 *serve components of the ground forces of the United States*  
5 *Armed Forces. Each such report shall include—*

6           (1) *a summary of the readiness of each reporting*  
7 *unit of the active and reserve components of the*  
8 *ground forces and a summary of the readiness of each*  
9 *major combat unit of each military department by*  
10 *readiness level, as reflected in the Department of De-*  
11 *fense status of resources and training system;*

12           (2) *an identification of the extent to which the*  
13 *actual readiness ratings of the active and reserve com-*  
14 *ponents of the United States Armed Forces have been*  
15 *upgraded based on the judgment of commanders and*  
16 *any efforts of the Secretary of Defense to analyze the*  
17 *trends and implications of such upgrades;*

18           (3) *the goals of the Secretary of Defense for man-*  
19 *aging the readiness of the active and reserve compo-*  
20 *nents of the ground forces, expressed in terms of the*  
21 *number of units or percentage of the force that the*  
22 *Secretary plans to maintain at each level of readi-*  
23 *ness, and the Secretary's projected timeframe for*  
24 *achieving each such goal;*

1           (4) a prioritized list of items and actions to be  
2           accomplished during the fiscal year during which the  
3           report is submitted and during the fiscal years cov-  
4           ered by the future years defense program that the Sec-  
5           retary of Defense believes are necessary to signifi-  
6           cantly improve the readiness of the active and reserve  
7           components of the ground forces and achieve the goals  
8           and timeframes described in paragraph (3); and

9           (5) a detailed investment strategy and plan for  
10          each fiscal year covered by the future years defense  
11          program under section 221 of title 10, United States  
12          Code, that outlines the resources required to improve  
13          the readiness of the active and reserve components of  
14          the ground forces, including a description of how each  
15          resource identified in such plan relates to funding re-  
16          quested by the Secretary in the Secretary's annual  
17          budget, and how each such resource will specifically  
18          enable the Secretary to achieve the readiness goals de-  
19          scribed in paragraph (3) within the projected time-  
20          frames.

21          (b) *COMPTROLLER GENERAL REVIEW.*—By not later  
22          than 60 days after the date on which the report is submitted  
23          under subsection (a), the Comptroller General shall review  
24          the report and, as the Comptroller General determines ap-  
25          propriate, submit to the congressional defense committees

1 *any additional information that the Comptroller General*  
2 *determines will further inform the congressional defense*  
3 *committees on issues relating to the readiness of the active*  
4 *and reserve components of the ground forces of the United*  
5 *States Armed Forces.*

6 **SEC. 353. PLAN FOR OPTIMAL USE OF STRATEGIC PORTS BY**  
7 **COMMANDER OF SURFACE DISTRIBUTION**  
8 **AND DEPLOYMENT COMMAND.**

9 *By not later than January 30, 2008, the Secretary of*  
10 *Defense shall develop and implement a plan to optimize the*  
11 *use of strategic ports by the Surface Distribution and De-*  
12 *ployment Command. Such plan shall—*

13 *(1) address cost effectiveness, manning require-*  
14 *ments, location, and maximization of utilization of*  
15 *resources for each strategic port; and*

16 *(2) include—*

17 *(A) an analysis of how each Surface Dis-*  
18 *tribution and Deployment Command strategic*  
19 *port is chosen for the worldwide deployment and*  
20 *distribution of Department of Defense supplies,*  
21 *personal property, and personnel; and*

22 *(B) provisions for consultation with the*  
23 *local port authority for any strategic port at*  
24 *which there is no permanent Surface Distribu-*  
25 *tion and Deployment Command presence.*

1 **SEC. 354. INDEPENDENT ASSESSMENT OF CIVIL RESERVE**  
2 **AIR FLEET VIABILITY.**

3 (a) *INDEPENDENT ASSESSMENT REQUIRED.*—The Sec-  
4 retary of Defense shall provide for an independent assess-  
5 ment of the viability of the Civil Reserve Air Fleet to be  
6 conducted by a federally-funded research and development  
7 center selected by the Secretary.

8 (b) *CONTENTS OF ASSESSMENT.*—The assessment re-  
9 quired by subsection (a) shall include each of the following:

10 (1) *An assessment of the Civil Reserve Air Fleet*  
11 *as of the date of the enactment of this Act, including*  
12 *an assessment of—*

13 (A) *the level of increased use of commercial*  
14 *assets to fulfill Department of Defense transpor-*  
15 *tation requirements as a result of the increased*  
16 *global mobility requirements in response to the*  
17 *terrorist attacks of September 11, 2001;*

18 (B) *the extent of charter air carrier partici-*  
19 *pation in fulfilling increased Department of De-*  
20 *fense transportation requirements as a result of*  
21 *the increased global mobility requirements in re-*  
22 *sponse to the terrorist attacks of September 11,*  
23 *2001;*

24 (C) *any policy of the Secretary of Defense*  
25 *to limit the percentage of income a single air*  
26 *carrier participating in the Civil Reserve Air*

1           *Fleet may earn under contracts with the Sec-*  
2           *retary during any calendar year and the effects*  
3           *of such policy on the air carrier industry in*  
4           *peacetime and during periods during which the*  
5           *armed forces are deployed in support of a con-*  
6           *tingency operation for which the Civil Reserve*  
7           *Air Fleet is not activated; and*

8                     *(D) any risks to the charter air carrier in-*  
9                     *dustry as a result of the expansion of the indus-*  
10                    *try in response to contingency operations result-*  
11                    *ing in increased demand by the Department of*  
12                    *Defense.*

13           *(2) A strategic assessment of the viability of the*  
14           *Civil Reserve Air Fleet that compares such viability*  
15           *as of the date of the enactment of this Act with the*  
16           *projected viability of the Civil Reserve Air Fleet five,*  
17           *ten, and 15 years after the date of the enactment of*  
18           *this Act, including for activations at each of stages 1,*  
19           *2, and 3—*

20                    *(A) an examination of the requirements of*  
21                    *the Department of Defense for Civil Reserve Air*  
22                    *Fleet for the support of operational and contin-*  
23                    *gency plans, including any anticipated changes*  
24                    *in the Department's organic airlift capacity, lo-*

1            *gistics concepts, and personnel and training re-*  
2            *quirements;*

3            *(B) an assessment of air carrier participa-*  
4            *tion in the Civil Reserve Air Fleet; and*

5            *(C) a comparison between the requirements*  
6            *of the Department needs described in subpara-*  
7            *graph (A) and air carrier participation de-*  
8            *scribed in subparagraph (B).*

9            *(3) An examination of any perceived barriers to*  
10          *Civil Reserve Air Fleet viability, including—*

11            *(A) the operational planning system of the*  
12            *Civil Reserve Air Fleet;*

13            *(B) the reward system of the Civil Reserve*  
14            *Air Fleet;*

15            *(C) the long-term affordability of the Avia-*  
16            *tion War Risk Insurance Program;*

17            *(D) the effect on United States air carriers*  
18            *operating overseas routes during periods of Civil*  
19            *Reserve Air Fleet Activation;*

20            *(E) increased foreign ownership of United*  
21            *States air carriers;*

22            *(F) increased operational costs during acti-*  
23            *vation as a result of hazardous duty pay, rout-*  
24            *ing delays, and inefficiencies in cargo handling*  
25            *by the Department of Defense;*

1           (G) *the effect of policy initiatives by the*  
2           *Secretary of Transportation to encourage inter-*  
3           *national code sharing and alliances; and*

4           (H) *the effect of limitations imposed by the*  
5           *Secretary of Defense to limit commercial ship-*  
6           *ping options for certain routes and package*  
7           *sizes.*

8           (4) *Recommendations for improving the Civil*  
9           *Reserve Air Fleet program.*

10          (c) *SUBMISSION TO CONGRESS.*—*Upon the completion*  
11 *of the assessment required under subsection (a) and by not*  
12 *later than April 1, 2008, the Secretary shall submit to the*  
13 *congressional defense committees a report on the assessment.*

14          (d) *COMPTROLLER GENERAL REPORT.*—*Not later than*  
15 *90 days after the report is submitted under subsection (c),*  
16 *the Comptroller General shall conduct a review of the assess-*  
17 *ment required under subsection (a).*

18       **SEC. 355. ANNUAL REPORT ON PREPOSITIONED MATERIEL**  
19                               **AND EQUIPMENT.**

20          (a) *ANNUAL REPORT REQUIRED.*—*Chapter 131 of title*  
21 *10, United States Code, is amended by adding at the end*  
22 *the following new section:*

1 **“§2229a. Annual report on prepositioned materiel**  
2 **and equipment**

3 “(a) *ANNUAL REPORT REQUIRED.*—Not later than the  
4 date of the submission of the President’s budget request for  
5 a fiscal year under section 1105 of title 31, the Secretary  
6 of Defense shall submit to the congressional defense commit-  
7 tees a report on the status of the materiel in the  
8 prepositioned stocks as of the end of the fiscal year pre-  
9 ceding the fiscal year during which the report is submitted.  
10 Each report shall be unclassified and may contain a classi-  
11 fied annex. Each report shall include the following informa-  
12 tion:

13 “(1) *The level of fill for major end items of*  
14 *equipment and spare parts in each prepositioned set*  
15 *as of the end of the fiscal year covered by the report.*

16 “(2) *The material condition of equipment in the*  
17 *prepositioned stocks as of the end of such fiscal year,*  
18 *rated based on the Department of Defense Status of*  
19 *Resources and Training system and grouped by cat-*  
20 *egory or major end item.*

21 “(3) *A list of major end items of equipment*  
22 *drawn from the prepositioned stocks during such fis-*  
23 *cal year and a description of how that equipment was*  
24 *used and whether it was returned to the stocks after*  
25 *being used.*

1           “(4) *A timeline for completely reconstituting any*  
2           *shortfall in the prepositioned stocks.*

3           “(5) *An estimate of the amount of funds required*  
4           *to completely reconstitute any shortfall in the*  
5           *prepositioned stocks and a description of the Sec-*  
6           *retary’s plan for carrying out such complete recon-*  
7           *stitution.*

8           “(6) *A list of any operations plan affected by*  
9           *any shortfall in the prepositioned stocks and a de-*  
10          *scription of any action taken to mitigate any risk*  
11          *that such a shortfall may create.*

12          “(b) *COMPTROLLER GENERAL REVIEW.—By not later*  
13          *than 60 days after the date on which the report is submitted*  
14          *under subsection (a), the Comptroller General shall review*  
15          *the report and, as the Comptroller General determines ap-*  
16          *propriate, submit to the congressional defense committees*  
17          *any additional information that the Comptroller General*  
18          *determines will further inform the congressional defense on*  
19          *issues relating to the status of the materiel in the*  
20          *prepositioned stocks.”.*

21          “(b) *CLERICAL AMENDMENT.—The table of sections at*  
22          *the beginning of such chapter is amended by adding at the*  
23          *end the following new item:*

          “2229a. *Annual report on prepositioned materiel and equipment.”.*

1 **SEC. 356. CONDITIONS ON RELOCATION OF NORTH AMER-**  
2 **ICAN AEROSPACE DEFENSE COMMAND CEN-**  
3 **TER AND RELATED FUNCTIONS FROM CHEY-**  
4 **ENNE MOUNTAIN TO PETERSON AIR FORCE**  
5 **BASE.**

6 (a) *SUBMISSION OF COST-BENEFIT ANALYSIS AND RE-*  
7 *LOCATION PLAN.*—*The Secretary of Defense may not com-*  
8 *mence the relocation of or, if previously commenced, con-*  
9 *tinue the relocation of the North American Aerospace De-*  
10 *fense command center and related functions from Cheyenne*  
11 *Mountain to Peterson Air Force Base, Colorado, until after*  
12 *the end of the 180-day period beginning on the date on*  
13 *which the Secretary submits to Congress a report con-*  
14 *taining—*

15 (1) *an analysis comparing the total costs associ-*  
16 *ated with the relocation, including costs determined*  
17 *as part of ongoing security-related studies of the relo-*  
18 *cation, to anticipated operational benefits from the*  
19 *relocation; and*

20 (2) *the final plans for the relocation of the North*  
21 *American Aerospace Defense command center and re-*  
22 *lated functions.*

23 (b) *COMPTROLLER GENERAL REVIEW.*—*Not later than*  
24 *60 days after the date on which the Secretary of Defense*  
25 *submits the report required by subsection (a), the Comp-*  
26 *troller General shall submit to Congress a review of the re-*

1 *port and the final plans of the Secretary for relocation of*  
2 *the North American Aerospace Defense command center and*  
3 *related functions.*

4 **SEC. 357. REPORT ON PUBLIC-PRIVATE PARTNERSHIPS.**

5 *(a) REPORT REQUIRED.—Not later than April 1,*  
6 *2008, the Secretary of Defense shall submit to the Com-*  
7 *mittee on Armed Services of the House of Representatives*  
8 *and the Committee of Armed Services of the Senate a report*  
9 *regarding public-private partnerships at Centers of Indus-*  
10 *trial and Technical Excellence designated under section*  
11 *2474 of title 10, United States Code.*

12 *(b) CONTENTS OF REPORT.—The report required*  
13 *under paragraph (1) shall include a description of each of*  
14 *the following:*

15 *(1) Common approaches and procedures for the*  
16 *military departments regarding implementation of*  
17 *public-private partnerships.*

18 *(2) Consistent cost methodologies and reimburse-*  
19 *ment guidance applicable to maintenance and repair*  
20 *workload performed by Federal Government per-*  
21 *sonnel.*

22 *(3) Implementation procedures for completing*  
23 *contract negotiations for public-private partnerships*  
24 *within 12 months.*

1           (4) *The Secretary’s utilization of commercial*  
2           *practices to replace existing inventory and component*  
3           *management, technical publication data, document*  
4           *management, and equipment maintenance, and cali-*  
5           *bration requirements of the Department of Defense.*

6           (5) *Delegation of Class 2 Design authority based*  
7           *on commercial practices to maintain the form, fit,*  
8           *and function of a weapon system platform, major end*  
9           *item, component of a major end item, or article.*

10          (6) *The Secretary’s plan to expand Department*  
11          *of Defense core capabilities, as defined in section 2464*  
12          *of such title.*

### 13                   ***Subtitle F—Other Matters***

#### 14   ***SEC. 361. AUTHORITY FOR DEPARTMENT OF DEFENSE TO*** 15                   ***PROVIDE SUPPORT FOR CERTAIN SPORTING*** 16                   ***EVENTS.***

17          (a) *PROVISION OF SUPPORT.—Section 2564 of title 10,*  
18          *United States Code, is amended—*

19               (1) *in subsection (c), by adding at the end the*  
20               *following new paragraphs:*

21               “*(4) A sporting event sanctioned by the United*  
22               *States Olympic Committee through the Paralympic*  
23               *Military Program.*”

1           “(5) *Any national or international paralympic*  
2           *sporting event (other than a sporting event described*  
3           *in paragraph (1) through (4))—*

4                   “(A) *that—*

5                           “(i) *is held in the United States or*  
6                           *any of its territories or commonwealths;*

7                           “(ii) *is governed by the International*  
8                           *Paralympic Committee; and*

9                           “(iii) *is sanctioned by the United*  
10                           *States Olympic Committee; and*

11                   “(B) *for which participation exceeds 100*  
12                   *amateur athletes.”; and*

13           (2) *by adding at the end the following new sub-*  
14           *section:*

15           “(g) *FUNDING FOR SUPPORT OF CERTAIN EVENTS.—*

16           (1) *Amounts for the provision of support for a sporting*  
17           *event described in paragraph (4) or (5) of subsection (c)*  
18           *shall be derived from the Support for International Sport-*  
19           *ing Competitions, Defense account established by section*  
20           *5802 of the Omnibus Consolidated Appropriations Act,*  
21           *1997 (10 U.S.C. 2564 note), notwithstanding any limita-*  
22           *tion under that section relating to the availability of funds*  
23           *in such account for the provision of support for inter-*  
24           *national sporting competitions.*

1       “(2) *The total amount expended for any fiscal year*  
2 *to provide support for sporting events described in sub-*  
3 *section (c)(5) may not exceed \$1,000,000.*”.

4       **(b) SOURCE OF FUNDS.**—*Section 5802 of the Omnibus*  
5 *Consolidated Appropriations Act, 1997 (10 U.S.C. 2564*  
6 *note) is amended—*

7           (1) *by inserting after “international sporting*  
8 *competitions” the following: “and for support of*  
9 *sporting competitions authorized under section*  
10 *2564(c)(4) and (5), of title 10, United States Code,”;*  
11 *and*

12           (2) *by striking “45 days” and inserting “15*  
13 *days”.*

14 **SEC. 362. REASONABLE RESTRICTIONS ON PAYMENT OF**  
15 **FULL REPLACEMENT VALUE FOR LOST OR**  
16 **DAMAGED PERSONAL PROPERTY TRANS-**  
17 **PORTED AT GOVERNMENT EXPENSE.**

18       *Section 2636a(d) of title 10, United States Code, is*  
19 *amended by adding at the end the following new sentence:*  
20 *“The regulations may include a requirement that a member*  
21 *of the armed forces or civilian employee comply with rea-*  
22 *sonable restrictions prescribed by the Secretary in order to*  
23 *receive the full amount deducted under subsection (b).”.*

1 **SEC. 363. PRIORITY TRANSPORTATION ON DEPARTMENT OF**  
2 **DEFENSE AIRCRAFT OF RETIRED MEMBERS**  
3 **RESIDING IN COMMONWEALTHS AND POSSES-**  
4 **SIONS OF THE UNITED STATES FOR CERTAIN**  
5 **HEALTH CARE SERVICES.**

6 (a) *AVAILABILITY OF TRANSPORTATION.*—Chapter 157  
7 of title 10, United States Code, is amended by inserting  
8 after section 2641a the following new section:

9 **“§2641b. Space-available travel on Department of De-**  
10 **fense aircraft: retired members residing**  
11 **in Commonwealths and possessions of the**  
12 **United States for certain health care serv-**  
13 **ices**

14 “(a) *PRIORITY TRANSPORTATION.*—The Secretary of  
15 Defense shall provide transportation on Department of De-  
16 fense aircraft on a space-available basis for any member  
17 or former member of the uniformed services described in  
18 subsection (b), and a single dependent of the member if  
19 needed to accompany the member, at a priority level in the  
20 same category as the priority level for an unaccompanied  
21 dependent over the age of 18 traveling on environmental  
22 and morale leave.

23 “(b) *ELIGIBLE MEMBERS AND FORMER MEMBERS.*—  
24 A member or former member eligible for priority transport  
25 under subsection (a) is a covered beneficiary under chapter  
26 55 of this title who—

1           “(1) is entitled to retired or retainer pay or, but  
2 for age, would be eligible for retired pay under chap-  
3 ter 1223 of this title;

4           “(2) resides in or is located in a Commonwealth  
5 or possession of the United States; and

6           “(3) is referred by a primary care physician lo-  
7 cated in that Commonwealth or possession to a spe-  
8 cialty care provider for services to be provided outside  
9 of that Commonwealth or possession.

10          “(c) *SCOPE OF PRIORITY.*—The increased priority for  
11 space-available transportation required by subsection (a)  
12 applies with respect to both—

13           “(1) the travel from the Commonwealth or pos-  
14 session of the United States to receive the specialty  
15 care services; and

16           “(2) the return travel.

17          “(d) *DEFINITIONS.*—In this section, the term ‘specialty  
18 care provider’ has the meaning given that term in section  
19 1074i(b) of this title.”.

20          (b) *CLERICAL AMENDMENT.*—The table of sections at  
21 the beginning of such chapter is amended by inserting after  
22 the item relating to section 2641a the following new item:

“2641b. Space-available travel on Department of Defense aircraft: retired members  
residing in Commonwealths and possessions of the United States  
for certain health care services.”.



1 *authorized to receive it, that person has no right to or inter-*  
 2 *est in the property, and any civil or military officer of the*  
 3 *United States may seize the property, wherever found. Pos-*  
 4 *session of such property furnished by the United States to*  
 5 *a member of the armed forces by a person who is neither*  
 6 *a member of the armed forces, nor an officer of the United*  
 7 *States, is prima facie evidence that the property has been*  
 8 *disposed of in violation of subsection (a).*

9       “(c) *DELIVERY OF SEIZED PROPERTY.—If an officer*  
 10 *who seizes property under subsection (b) is not authorized*  
 11 *to retain it for the United States, the officer shall deliver*  
 12 *the property to a person who is authorized to retain it.”.*

13       (b) *CLERICAL AMENDMENT.—The table of sections at*  
 14 *the beginning of such chapter is amended by adding at the*  
 15 *end the following new items:*

“2788. *Property accountability: regulations.*

“2789. *Individual equipment: unauthorized disposition.”.*

16       (c) *CONFORMING AMENDMENTS.—*

17           (1) *IN GENERAL.—Such title is further amended*  
 18 *by striking the following sections:*

19                   (A) *Section 4832.*

20                   (B) *Section 4836.*

21                   (C) *Section 9832.*

22                   (D) *Section 9836.*

23           (2) *CLERICAL AMENDMENTS.—*

1           (A) CHAPTER 453.—The table of sections at  
2           the beginning of chapter 453 of such title is  
3           amended by striking the items relating to sec-  
4           tions 4832 and 4836.

5           (B) CHAPTER 953.—The table of sections at  
6           the beginning of chapter 953 of such title is  
7           amended by striking the items relating to sec-  
8           tions 9832 and 9836.

9   **SEC. 365. RETENTION OF ARMY COMBAT UNIFORMS BY**  
10                   **MEMBERS OF ARMY DEPLOYED IN SUPPORT**  
11                   **OF CONTINGENCY OPERATIONS.**

12           (a) RETENTION OF COMBAT UNIFORMS.—Chapter 435  
13           of title 10, United States Code, is amended by adding at  
14           the end the following new section:

15   **“§4566. Retention of Army combat uniforms by mem-**  
16                   **bers deployed in support of contingency**  
17                   **operations**

18           “The Secretary of the Army may authorize a member  
19           of the Army who has been deployed in support of a contin-  
20           gency operation for at least 30 days to retain, after that  
21           member is no longer so deployed, the exterior articles of uni-  
22           form that were issued to that member as part of an Army  
23           combat uniform.”.

1           (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of such chapter is amended by adding at the*  
 3 *end the following new item:*

*“4566. Retention of Army combat uniforms by members deployed in support of contingency operations.”.*

4           (c) *EFFECTIVE DATE.*—*Section 4566 of title 10,*  
 5 *United States Code, as added by subsection (a), shall apply*  
 6 *with respect to a member of the Army who completes a de-*  
 7 *ployment on or after October 1, 2007.*

8   **SEC. 366. ISSUE OF SERVICEABLE MATERIAL OTHER THAN**  
 9                                   **TO ARMED FORCES.**

10           (a) *IN GENERAL.*—*Part IV of subtitle C of title 10,*  
 11 *United States Code, is amended by adding at the end the*  
 12 *following new chapter:*

13   **“CHAPTER 667—ISSUE OF SERVICEABLE**  
 14                   **MATERIAL OTHER THAN TO ARMED**  
 15                   **FORCES**

*“Sec.*

*“7911. Arms, tentage, and equipment: educational institutions not maintaining units of R.O.T.C.*

*“7912. Rifles and ammunition for target practice: educational institutions having corps of midshipmen.*

*“7913. Supplies: military instruction camps.*

16   **“§7911. Arms, tentage, and equipment: educational**  
 17                                   **institutions not maintaining units of**  
 18                                   **R.O.T.C**

19           *“Under such conditions as he may prescribe, the Sec-*  
 20 *retary of the Navy may issue arms, tentage, and equipment*  
 21 *that he considers necessary for proper military training,*

1 *to any educational institution at which no unit of the Re-*  
 2 *serve Officers' Training Corps is maintained, but which has*  
 3 *a course in military training prescribed by the Secretary*  
 4 *and which has at least 50 physically fit students over 14*  
 5 *years of age.*

6 **“§ 7912. Rifles and ammunition for target practice:**  
 7 ***educational institutions having corps of***  
 8 ***midshipmen***

9       “(a) *AUTHORITY TO LEND.*—*The Secretary of the*  
 10 *Navy may lend, without expense to the United States, mag-*  
 11 *azine rifles and appendages that are not of the existing serv-*  
 12 *ice models in use at the time and that are not necessary*  
 13 *for a proper reserve supply, to any educational institution*  
 14 *having a uniformed corps of midshipmen of sufficient num-*  
 15 *ber for target practice. He may also issue 40 rounds of ball*  
 16 *cartridges for each midshipman for each range at which*  
 17 *target practice is held, but not more than 120 rounds each*  
 18 *year for each midshipman participating in target practice.*

19       “(b) *RESPONSIBILITIES OF INSTITUTIONS.*—*The insti-*  
 20 *tutions to which property is lent under subsection (a)*  
 21 *shall—*

22               “(1) *use the property for target practice;*

23               “(2) *take proper care of the property; and*

24               “(3) *return the property when required.*



1 *in Spokane, Washington, or to reassign or reorganize any*  
 2 *of the search and rescue capabilities of that unit.*

3 **SEC. 368. LIMITATION ON EXPENDITURE OF FUNDS FOR**  
 4 **INITIAL FLIGHT SCREENING AT PUEBLO ME-**  
 5 **MORIAL AIRPORT.**

6 *Of the amounts authorized to be appropriated for ini-*  
 7 *tial flight screening at Pueblo Memorial Airport, not more*  
 8 *than 50 percent shall be expended until the Secretary of*  
 9 *the Air Force submits to the congressional defense commit-*  
 10 *tees a certification that the Secretary has developed a plan,*  
 11 *together with the City of Pueblo, Colorado, to meet Air*  
 12 *Force crash, fire, and rescue requirements to support Air*  
 13 *Force flight operations at Pueblo Memorial Airport.*

14 **TITLE IV—MILITARY PERSONNEL**  
 15 **AUTHORIZATIONS**

*Subtitle A—Active Forces*

- Sec. 401. End strengths for active forces.*  
*Sec. 402. Revision in permanent active duty end strength minimum levels.*  
*Sec. 403. Additional authority for increases of Army and Marine Corps active*  
*duty end strengths for fiscal years 2009 and 2010.*  
*Sec. 404. Increase in authorized strengths for Army officers on active duty in the*  
*grade of major.*  
*Sec. 405. Increase in authorized strengths for Navy officers on active duty in the*  
*grades of lieutenant commander, commander, and captain.*

*Subtitle B—Reserve Forces*

- Sec. 411. End strengths for Selected Reserve.*  
*Sec. 412. End strengths for Reserves on active duty in support of the reserves.*  
*Sec. 413. End strengths for military technicians (dual status).*  
*Sec. 414. Fiscal year 2008 limitation on number of non-dual status technicians.*  
*Sec. 415. Maximum number of reserve personnel authorized to be on active duty*  
*for operational support.*  
*Sec. 416. Future authorizations and accounting for certain reserve component*  
*personnel authorized to be on active duty or full-time National*  
*Guard duty to provide operational support.*  
*Sec. 417. Revision of variances authorized for Selected Reserve end strengths.*

*Subtitle C—Authorization of Appropriations**Sec. 421. Military personnel.**Sec. 422. Armed Forces Retirement Home.**Sec. 423. Offsetting transfers from National Defense Stockpile Transaction Fund.***1                    *Subtitle A—Active Forces*****2    *SEC. 401. END STRENGTHS FOR ACTIVE FORCES.***

3            *(a) IN GENERAL.—The Armed Forces are authorized*  
4 *strengths for active duty personnel as of September 30,*  
5 *2008, as follows:*

6                    *(1) The Army, 525,400.*

7                    *(2) The Navy, 329,098.*

8                    *(3) The Marine Corps, 189,000.*

9                    *(4) The Air Force, 329,651.*

10            *(b) LIMITATION.—*

11                    *(1) ARMY.—The authorized strength for the*  
12 *Army provided in paragraph (1) of subsection (a) for*  
13 *active duty personnel for fiscal year 2008 is subject*  
14 *to the condition that costs of active duty personnel of*  
15 *the Army for that fiscal year in excess of 489,400*  
16 *shall be paid out of funds authorized to be appro-*  
17 *priated for that fiscal year by section 1514.*

18                    *(2) MARINE CORPS.—The authorized strength for*  
19 *the Marine Corps provided in paragraph (3) of sub-*  
20 *section (a) for active duty personnel for fiscal year*  
21 *2008 is subject to the condition that costs of active*  
22 *duty personnel of the Marine Corps for that fiscal*  
23 *year in excess of 180,000 shall be paid out of funds*



1 *mines necessary for the purposes described in subsection (c),*  
2 *establish the active-duty end strength for the Marine Corps*  
3 *at a number greater than the number otherwise authorized*  
4 *by law up to the number equal to the fiscal-year 2008 base-*  
5 *line plus 13,000.*

6 (c) *PURPOSE OF INCREASES.—The purposes for which*  
7 *increases may be made in Army and Marine Corps active*  
8 *duty end strengths under this section are—*

9 (1) *to support operational missions; and*

10 (2) *to achieve transformational reorganization*  
11 *objectives, including objectives for increased numbers*  
12 *of combat brigades and battalions, increased unit*  
13 *manning, force stabilization and shaping, and rebal-*  
14 *ancing of the active and reserve component forces.*

15 (d) *RELATIONSHIP TO PRESIDENTIAL WAIVER AU-*  
16 *THORITY.—Nothing in this section shall be construed to*  
17 *limit the President’s authority under section 123a of title*  
18 *10, United States Code, to waive any statutory end strength*  
19 *in a time of war or national emergency.*

20 (e) *RELATIONSHIP TO OTHER VARIANCE AUTHOR-*  
21 *ITY.—The authority under this section is in addition to the*  
22 *authority to vary authorized end strengths that is provided*  
23 *in subsections (e) and (f) of section 115 of title 10, United*  
24 *States Code.*

25 (f) *BUDGET TREATMENT.—*

1           (1) *FISCAL YEARS 2009 AND 2010 BUDGETS.*—*The*  
2           *budget for the Department of Defense for fiscal years*  
3           *2009 and 2010 as submitted to Congress shall comply,*  
4           *with respect to funding, with subsections (c) and (d)*  
5           *of section 691 of title 10, United States Code.*

6           (2) *OTHER INCREASES.*—*If the Secretary of De-*  
7           *fense plans to increase the Army or Marine Corps ac-*  
8           *tive duty end strength for a fiscal year under this sec-*  
9           *tion, then the budget for the Department of Defense*  
10          *for that fiscal year as submitted to Congress shall in-*  
11          *clude the amounts necessary for funding that active*  
12          *duty end strength in excess of the fiscal year 2008 ac-*  
13          *tive duty end strength authorized for that service*  
14          *under section 401.*

15          (g) *DEFINITIONS.*—*In this section:*

16               (1) *FISCAL-YEAR 2008 BASELINE.*—*The term “fis-*  
17               *cal-year 2008 baseline”, with respect to the Army and*  
18               *Marine Corps, means the active-duty end strength au-*  
19               *thorized for those services in section 401.*

20               (2) *ACTIVE-DUTY END STRENGTH.*—*In this sub-*  
21               *section, the term “active-duty end strength” means*  
22               *the strength for active-duty personnel of one of the*  
23               *Armed Forces as of the last day of a fiscal year.*

1           (h) *REPEAL OF OTHER DISCRETIONARY AUTHORITY*  
 2 *TO TEMPORARILY INCREASE ARMY AND MARINE CORPS AC-*  
 3 *TIVE DUTY END STRENGTHS.*—

4                   (1) *BASE LAW.*—Section 403 of the Ronald W.  
 5 *Reagan National Defense Authorization Act for Fiscal*  
 6 *Year 2005 (Public Law 108–375; 10 U.S.C. 115 note)*  
 7 *is repealed.*

8                   (2) *DELAYED AMENDMENT.*—Section 403 of the  
 9 *John Warner National Defense Authorization Act for*  
 10 *Fiscal Year 2007 (Public Law 109–364; 120 Stat.*  
 11 *2169) is repealed.*

12 **SEC. 404. INCREASE IN AUTHORIZED STRENGTHS FOR**  
 13 **ARMY OFFICERS ON ACTIVE DUTY IN THE**  
 14 **GRADE OF MAJOR.**

15           *The portion of the table in section 523(a)(1) of title*  
 16 *10, United States Code, relating to the Army is amended*  
 17 *to read as follows:*

<i>Total number of commissioned officers (excluding officers in categories speci- fied in subsection (b)) on active duty</i>	<i>Number of officers who may be serving on active duty in grade of:</i>		
	<i>Major</i>	<i>Lieutenant Colonel</i>	<i>Colonel</i>
<i>Army:</i>			
<i>20,000</i> .....	<i>7,768</i>	<i>5,253</i>	<i>1,613</i>
<i>25,000</i> .....	<i>8,689</i>	<i>5,642</i>	<i>1,796</i>
<i>30,000</i> .....	<i>9,611</i>	<i>6,030</i>	<i>1,980</i>
<i>35,000</i> .....	<i>10,532</i>	<i>6,419</i>	<i>2,163</i>
<i>40,000</i> .....	<i>11,454</i>	<i>6,807</i>	<i>2,347</i>
<i>45,000</i> .....	<i>12,375</i>	<i>7,196</i>	<i>2,530</i>
<i>50,000</i> .....	<i>13,297</i>	<i>7,584</i>	<i>2,713</i>
<i>55,000</i> .....	<i>14,218</i>	<i>7,973</i>	<i>2,897</i>
<i>60,000</i> .....	<i>15,140</i>	<i>8,361</i>	<i>3,080</i>
<i>65,000</i> .....	<i>16,061</i>	<i>8,750</i>	<i>3,264</i>
<i>70,000</i> .....	<i>16,983</i>	<i>9,138</i>	<i>3,447</i>

<i>Total number of commissioned officers (excluding officers in categories speci- fied in subsection (b)) on active duty</i>	<i>Number of officers who may be serving on active duty in grade of:</i>		
	<i>Major</i>	<i>Lieutenant Colonel</i>	<i>Colonel</i>
75,000 .....	17,903	9,527	3,631
80,000 .....	18,825	9,915	3,814
85,000 .....	19,746	10,304	3,997
90,000 .....	20,668	10,692	4,181
95,000 .....	21,589	11,081	4,364
100,000 .....	22,511	11,469	4,548
110,000 .....	24,354	12,246	4,915
120,000 .....	26,197	13,023	5,281
130,000 .....	28,040	13,800	5,648
170,000 .....	35,412	16,908	7,116".

1 **SEC. 405. INCREASE IN AUTHORIZED STRENGTHS FOR**  
2 **NAVY OFFICERS ON ACTIVE DUTY IN THE**  
3 **GRADES OF LIEUTENANT COMMANDER, COM-**  
4 **MANDER, AND CAPTAIN.**

5 *The table in section 523(a)(2) of title 10, United States*  
6 *Code, is amended to read as follows:*

<i>Total number of commissioned officers (excluding officers in categories speci- fied in subsection (b)) on active duty</i>	<i>Number of officers who may be serving on active duty in grade of:</i>		
	<i>Lieutenant Com- mander</i>	<i>Com- mander</i>	<i>Captain</i>
<i>Navy:</i>			
30,000 .....	7,698	5,269	2,222
33,000 .....	8,189	5,501	2,334
36,000 .....	8,680	5,733	2,447
39,000 .....	9,172	5,965	2,559
42,000 .....	9,663	6,197	2,671
45,000 .....	10,155	6,429	2,784
48,000 .....	10,646	6,660	2,896
51,000 .....	11,136	6,889	3,007
54,000 .....	11,628	7,121	3,120
57,000 .....	12,118	7,352	3,232
60,000 .....	12,609	7,583	3,344
63,000 .....	13,100	7,813	3,457
66,000 .....	13,591	8,044	3,568
69,000 .....	14,245	8,352	3,718
72,000 .....	17,517	9,890	4,467".

1                   ***Subtitle B—Reserve Forces***

2   ***SEC. 411. END STRENGTHS FOR SELECTED RESERVE.***

3           (a) *IN GENERAL.*—*The Armed Forces are authorized*  
4 *strengths for Selected Reserve personnel of the reserve com-*  
5 *ponents as of September 30, 2008, as follows:*

6                   (1) *The Army National Guard of the United*  
7 *States, 351,300.*

8                   (2) *The Army Reserve, 205,000.*

9                   (3) *The Navy Reserve, 67,800.*

10                  (4) *The Marine Corps Reserve, 39,600.*

11                  (5) *The Air National Guard of the United*  
12 *States, 106,700.*

13                  (6) *The Air Force Reserve, 67,500.*

14                  (7) *The Coast Guard Reserve, 10,000.*

15           (b) *END STRENGTH REDUCTIONS.*—*The end strengths*  
16 *prescribed by subsection (a) for the Selected Reserve of any*  
17 *reserve component shall be proportionately reduced by—*

18                   (1) *the total authorized strength of units orga-*  
19 *nized to serve as units of the Selected Reserve of such*  
20 *component which are on active duty (other than for*  
21 *training) at the end of the fiscal year; and*

22                   (2) *the total number of individual members not*  
23 *in units organized to serve as units of the Selected*  
24 *Reserve of such component who are on active duty*  
25 *(other than for training or for unsatisfactory partici-*



1           (5) *The Air National Guard of the United*  
2           *States, 13,944.*

3           (6) *The Air Force Reserve, 2,721.*

4 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**  
5           **(DUAL STATUS).**

6           *The minimum number of military technicians (dual*  
7 *status) as of the last day of fiscal year 2008 for the reserve*  
8 *components of the Army and the Air Force (notwith-*  
9 *standing section 129 of title 10, United States Code) shall*  
10 *be the following:*

11           (1) *For the Army Reserve, 8,249.*

12           (2) *For the Army National Guard of the United*  
13 *States, 26,502.*

14           (3) *For the Air Force Reserve, 9,909.*

15           (4) *For the Air National Guard of the United*  
16 *States, 22,553.*

17 **SEC. 414. FISCAL YEAR 2008 LIMITATION ON NUMBER OF**  
18           **NON-DUAL STATUS TECHNICIANS.**

19           (a) *LIMITATIONS.—*

20           (1) *NATIONAL GUARD.—Within the limitation*  
21 *provided in section 10217(c)(2) of title 10, United*  
22 *States Code, the number of non-dual status techni-*  
23 *cians employed by the National Guard as of Sep-*  
24 *tember 30, 2008, may not exceed the following:*



1           (3) *The Navy Reserve, 6,200.*

2           (4) *The Marine Corps Reserve, 3,000.*

3           (5) *The Air National Guard of the United*  
4 *States, 16,000.*

5           (6) *The Air Force Reserve, 14,000.*

6 **SEC. 416. FUTURE AUTHORIZATIONS AND ACCOUNTING**  
7 **FOR CERTAIN RESERVE COMPONENT PER-**  
8 **SONNEL AUTHORIZED TO BE ON ACTIVE**  
9 **DUTY OR FULL-TIME NATIONAL GUARD DUTY**  
10 **TO PROVIDE OPERATIONAL SUPPORT.**

11       (a) *REVIEW OF OPERATIONAL SUPPORT MISSIONS*  
12 *PERFORMED BY CERTAIN RESERVE COMPONENT PER-*  
13 *SONNEL.—*

14           (1) *REVIEW REQUIRED.—The Secretary of De-*  
15 *fense shall conduct a review of the long-term oper-*  
16 *ational support missions performed by members of the*  
17 *reserve components authorized under section 115(b) of*  
18 *title 10 United States Code to be on active duty or*  
19 *full-time National Guard duty for the purpose of pro-*  
20 *viding operational support, with the objectives of such*  
21 *review being—*

22           (A) *minimizing the number of reserve com-*  
23 *ponent members who perform such service for a*  
24 *period greater than 1095 consecutive days, or cu-*

1           *mulatively for 1095 days out of the previous*  
2           *1460 days; and*

3           *(B) determining which long-term oper-*  
4           *ational support missions being performed by*  
5           *such members would more appropriately be per-*  
6           *formed by members of the Armed Forces on ac-*  
7           *tive duty under other provisions of title 10,*  
8           *United States Code, or by full-time support per-*  
9           *sonnel of reserve components.*

10           *(2) SUBMISSION OF RESULTS.—Not later than*  
11           *March 1, 2008, the Secretary shall submit to Congress*  
12           *the results of the review, including a description of*  
13           *the adjustments in Department of Defense policy to be*  
14           *implemented as a result of the review and such rec-*  
15           *ommendations for changes in statute, as the Secretary*  
16           *considers to be appropriate.*

17           *(b) IMPROVED ACCOUNTING FOR RESERVE COMPO-*  
18           *NENT PERSONNEL PROVIDING OPERATIONAL SUPPORT.—*  
19           *Section 115(b) of title 10, United States Code, is amended*  
20           *by adding at the end the following new paragraph:*

21           *“(4) As part of the budget justification materials sub-*  
22           *mitted by the Secretary of Defense to Congress in support*  
23           *of the end strength authorizations required under subpara-*  
24           *graphs (A) and (B) of subsection (a)(1) for fiscal year 2009*

1 *and each fiscal year thereafter, the Secretary shall provide*  
2 *the following:*

3           “(A) *The number of members, specified by re-*  
4 *serve component, authorized under subparagraphs (A)*  
5 *and (B) of paragraph (1) who were serving on active*  
6 *duty or full-time National Guard duty for oper-*  
7 *ational support beyond each of the limits specified*  
8 *under subparagraphs (A) and (B) of paragraph (2)*  
9 *at the end of the fiscal year preceding the fiscal year*  
10 *for which the budget justification materials are sub-*  
11 *mitted.*

12           “(B) *The number of members, specified by re-*  
13 *serve component, on active duty for operational sup-*  
14 *port who, at the end of the fiscal year for which the*  
15 *budget justification materials are submitted, are pro-*  
16 *jected to be serving on active duty or full-time Na-*  
17 *tional Guard duty for operational support beyond*  
18 *such limits.*

19           “(C) *The number of members, specified by re-*  
20 *serve component, on active duty or full-time National*  
21 *Guard duty for operational support who are included*  
22 *in, and counted against, the end strength authoriza-*  
23 *tions requested under subparagraphs (A) and (B) of*  
24 *subsection (a)(1).*

1           “(D) A summary of the missions being per-  
2           formed by members identified under subparagraphs  
3           (A) and (B).”.

4 **SEC. 417. REVISION OF VARIANCES AUTHORIZED FOR SE-**  
5 **LECTED RESERVE END STRENGTHS.**

6           Section 115(f)(3) of title 10, United States Code, is  
7 amended by striking “2 percent” and inserting “3 percent”.

8           **Subtitle C—Authorization of**  
9           **Appropriations**

10 **SEC. 421. MILITARY PERSONNEL.**

11           There is hereby authorized to be appropriated to the  
12 Department of Defense for military personnel for fiscal year  
13 2008 a total of \$115,439,889,000. The authorization in the  
14 preceding sentence supersedes any other authorization of  
15 appropriations (definite or indefinite) for such purpose for  
16 fiscal year 2008.

17 **SEC. 422. ARMED FORCES RETIREMENT HOME.**

18           There is authorized to be appropriated for fiscal year  
19 2008 from the Armed Forces Retirement Home Trust Fund  
20 the sum of \$61,624,000 for the operation of the Armed  
21 Forces Retirement Home.

22 **SEC. 423. OFFSETTING TRANSFERS FROM NATIONAL DE-**  
23 **FENSE STOCKPILE TRANSACTION FUND.**

24           Not later than 60 days after the date of the enactment  
25 of this Act, the Secretary of Defense shall transfer

1 \$150,000,000 from the unobligated balances of the National  
 2 Defense Stockpile Transaction Fund to the Miscellaneous  
 3 Receipts Fund of the United States Treasury to offset esti-  
 4 mated costs arising from section 702 and the amendments  
 5 made by such section.

6 **TITLE V—MILITARY PERSONNEL**  
 7 **POLICY**

*Subtitle A—Officer Personnel Policy*

- Sec. 501. Assignment of officers to designated positions of importance and responsibility.*  
*Sec. 502. Increase in years of commissioned service threshold for discharge of probationary officers and for use of force shaping authority.*  
*Sec. 503. Special promotion authority for Navy career military professors.*

*Subtitle B—Reserve Component Matters*

- Sec. 511. Mandatory separation of Reserve officers in the grade of lieutenant general or vice admiral after completion of 38 years of commissioned service.*  
*Sec. 512. Constructive service credit upon original appointment of reserve officers in certain health care professions.*  
*Sec. 513. Maximum period of temporary Federal recognition of person as Army National Guard officer or Air Force Reserve officer.*  
*Sec. 514. Military technicians (dual status) in the Selected Reserve.*  
*Sec. 515. Working group on reintegration of reserve component members returning from deployment.*  
*Sec. 516. National Guard yellow ribbon reintegration program.*  
*Sec. 517. Advance notice to members of reserve components of deployment in support of contingency operations.*

*Subtitle C—Education and Training*

- Sec. 521. Reduction or elimination of service obligation in an Army Reserve or Army National Guard troop program unit for certain persons selected as medical students at Uniformed Services University of the Health Sciences.*  
*Sec. 522. Increase in annual limit on number of ROTC scholarships under Army Reserve and Army National Guard program.*  
*Sec. 523. Revisions to authority to pay tuition for off-duty training or education.*  
*Sec. 524. National Defense University master's degree programs.*  
*Sec. 525. Recodification in title 38, United States Code, of certain educational assistance programs for members of the reserve components.*  
*Sec. 526. Secretary of Defense evaluation of the adequacy of the degree-granting authorities of certain military universities and educational institutions.*  
*Sec. 527. Navy Junior Reserve Officers' Training Corps unit for Southold, Mattituck, and Greenport high schools.*

*Subtitle D—General Service Authorities*

- Sec. 531. Authority to reduce required service obligation for initial appointment of qualified health professionals as officers in critical specialties.*
- Sec. 532. Reenlistment in former enlisted grade after service as an officer.*

*Subtitle E—Military Justice and Legal Assistance Matters*

- Sec. 541. Authority to designate certain civilian employees of the Federal Government as eligible for legal assistance from Department of Defense legal staff resources.*

*Subtitle F—Decorations and Awards*

- Sec. 551. Authorization and request for award of Medal of Honor to Leslie H. Sabo, Jr., for acts of valor during the Vietnam War.*
- Sec. 552. Authorization and request for award of Medal of Honor to Henry Svehla for acts of valor during the Korean War.*
- Sec. 553. Authorization and request for award of Medal of Honor to Woodrow W. Keeble for acts of valor during the Korean War.*
- Sec. 554. Authorization and request for award of Medal of Honor to Private Philip G. Shadrach for acts of valor during the Civil War.*
- Sec. 555. Authorization and request for award of Medal of Honor to Private George D. Wilson for acts of valor as one of Andrews Raiders during the Civil War.*
- Sec. 556. Cold War Victory Medal.*

*Subtitle G—Impact Aid and Defense Dependents Education System*

- Sec. 561. Tuition assistance for military dependents in overseas areas where schools operated by Defense Dependents' Education System are not reasonably available.*
- Sec. 562. Continuation of authority to assist local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.*

*Subtitle H—Other Matters*

- Sec. 571. Extension of authority to accept gifts, devises, or bequests to benefit members of the Armed Forces, dependents, and civilian employees of the Department of Defense.*
- Sec. 572. Uniform performance policies for military bands and other musical units.*
- Sec. 573. Repeal of limitation on number of academies of Department of Defense STARBASE Program in a single State.*
- Sec. 574. Combat veterans mentoring program for current members of the Armed Forces.*
- Sec. 575. Recognition of members of the Monuments, Fine Arts, and Archives program of the Civil Affairs and Military Government Sections of the Armed Forces during and following World War II.*
- Sec. 576. Program to commemorate 50th anniversary of the Vietnam War.*

1 ***Subtitle A—Officer Personnel Policy***

2 ***SEC. 501. ASSIGNMENT OF OFFICERS TO DESIGNATED POSI-***  
3 ***TIONS OF IMPORTANCE AND RESPONSI-***  
4 ***BILITY.***

5 *(a) CONTINUATION IN GRADE WHILE AWAITING OR-*  
6 *DERS.—Section 601(b) of title 10, United States Code, is*  
7 *amended by striking paragraph (4) and inserting the fol-*  
8 *lowing new paragraph:*

9 *“(4) at the discretion of the Secretary of Defense,*  
10 *while the officer is awaiting orders after being re-*  
11 *lieved from the position designated under subsection*  
12 *(a) or by law to carry one of those grades, but not*  
13 *for more than 60 days beginning on the day the offi-*  
14 *cer is relieved from the position, unless, during such*  
15 *period, the officer is placed under orders to another*  
16 *position designated under subsection (a) or by law to*  
17 *carry one of those grades, in which case paragraph*  
18 *(2) will also apply to the officer.”.*

19 *(b) CONFORMING AMENDMENT REGARDING GENERAL*  
20 *AND FLAG OFFICER CEILINGS.—Section 525(e) of such title*  
21 *is amended by striking paragraph (2) and inserting the fol-*  
22 *lowing new paragraph:*

23 *“(2) At the discretion of the Secretary of Defense,*  
24 *an officer of that armed force who has been relieved*  
25 *from a position designated under section 601(a) of*

1        *this title or by law to carry one of the grades specified*  
 2        *in such section, but only during the 60-day period be-*  
 3        *ginning on the date on which the assignment of the*  
 4        *officer to the first position is terminated or until the*  
 5        *officer is assigned to a second such position, which-*  
 6        *ever occurs first.”.*

7    **SEC. 502. INCREASE IN YEARS OF COMMISSIONED SERVICE**  
 8                    **THRESHOLD FOR DISCHARGE OF PROBA-**  
 9                    **TIONARY OFFICERS AND FOR USE OF FORCE**  
 10                   **SHAPING AUTHORITY.**

11        *(a) ACTIVE-DUTY LIST OFFICERS.—*

12                *(1) EXTENDED PROBATIONARY PERIOD.—Para-*  
 13        *graph (1)(A) of section 630 of title 10, United States*  
 14        *Code, is amended by striking “five years” and insert-*  
 15        *ing “six years”.*

16                *(2) SECTION HEADING.—The heading of such sec-*  
 17        *tion is amended by striking “**five years**” and in-*  
 18        *serting “**six years**”.*

19                *(3) TABLE OF SECTIONS.—The item relating to*  
 20        *such section in the table of sections at the beginning*  
 21        *of subchapter III of chapter 36 of such title is amend-*  
 22        *ed to read as follows:*

      “630. Discharge of commissioned officers with less than six years of active com-  
           missioned service or found not qualified for promotion for first  
           lieutenant or lieutenant (junior grade).”.

1       (b) *OFFICER FORCE SHAPING AUTHORITY*.—Section  
 2 647(b)(1) of such title is amended by striking “5 years”  
 3 both places it appears and inserting “six years”.

4       (c) *RESERVE OFFICERS*.—

5           (1) *EXTENDED PROBATIONARY PERIOD*.—Sub-  
 6 section (a)(1)(A) of section 14503 of such title is  
 7 amended by striking “five years” and inserting “six  
 8 years”.

9           (2) *SECTION HEADING*.—The heading of such sec-  
 10 tion is amended by striking “**five years**” and in-  
 11 serting “**six years**”.

12           (3) *TABLE OF SECTIONS*.—The item relating to  
 13 such section in the table of sections at the beginning  
 14 of chapter 1407 of such title is amended to read as  
 15 follows:

“14503. Discharge of officers with less than six years of commissioned service or  
 found not qualified for promotion to first lieutenant or lieutenant  
 (junior grade).”.

16 **SEC. 503. SPECIAL PROMOTION AUTHORITY FOR NAVY CA-**  
 17 **REER MILITARY PROFESSORS.**

18       (a) *REMOVAL FROM CHAPTER 36 PROMOTION PROC-*  
 19 *ESS*.—Paragraph (2) of section 641 of title 10, United  
 20 States Code, is amended to read as follows:

21           “(2) The director of admissions, dean, and per-  
 22 manent professors at the United States Military  
 23 Academy, the registrar, dean, and permanent profes-  
 24 sors at the United States Air Force Academy, and

1       *permanent professors at the United States Naval*  
2       *Academy.”.*

3       **(b) ESTABLISHMENT OF SPECIAL PROMOTION PROC-**  
4       **ESS.**—*Chapter 603 of such title is amended by inserting*  
5       *after section 6970 the following new section:*

6       **“§ 6970a. Permanent professors: promotion**

7           “(a) *PROMOTION AUTHORITY.*—*An officer of the Navy*  
8       *or Marine Corps serving as a permanent professor at the*  
9       *Naval Academy in the grade of commander or lieutenant*  
10       *colonel may be recommended for promotion to the grade of*  
11       *captain or colonel, as the case may be.*

12           “(b) *ELIGIBILITY FOR PROMOTION.*—*An officer de-*  
13       *scribed in subsection (a) is not eligible for promotion under*  
14       *this section until after the date on which the officer com-*  
15       *pletes six years of service as a permanent professor or career*  
16       *military professor.*

17           “(c) *ACTUAL PROMOTION.*—*The promotion of an offi-*  
18       *cer recommended for promotion under this section is subject*  
19       *to appointment of the officer to the higher grade by the*  
20       *President, by and with the advice and consent of the Sen-*  
21       *ate.”.*

22           “(c) *CLERICAL AMENDMENT.*—*The table of sections at*  
23       *the beginning of such chapter is amended by inserting after*  
24       *the item relating to section 6970 the following new item:*

“6970a. *Permanent professors: promotion.*”.

1       **Subtitle B—Reserve Component**  
 2                                   **Matters**

3   **SEC. 511. MANDATORY SEPARATION OF RESERVE OFFICERS**  
 4                                   **IN THE GRADE OF LIEUTENANT GENERAL OR**  
 5                                   **VICE ADMIRAL AFTER COMPLETION OF 38**  
 6                                   **YEARS OF COMMISSIONED SERVICE.**

7       (a) *MANDATORY SEPARATION.*—Section 14508 of title  
 8   10, *United States Code*, is amended—

9                   (1) *by redesignating subsections (c), (d), and (e)*  
 10       *as subsections (e), (f), and (g), respectively; and*

11                   (2) *by inserting after subsection (b) the following*  
 12       *new subsection (c):*

13       “(c) *THIRTY-EIGHT YEARS OF SERVICE FOR LIEUTEN-*  
 14   *ANT GENERALS AND VICE ADMIRALS.*—Unless retired,  
 15   *transferred to the Retired Reserve, or discharged at an ear-*  
 16   *lier date, each reserve officer of the Army, Air Force, or*  
 17   *Marine Corps in the grade of lieutenant general and each*  
 18   *reserve officer of the Navy in the grade of vice admiral shall,*  
 19   *30 days after completion of 38 years of commissioned serv-*  
 20   *ice, be separated in accordance with section 14514 of this*  
 21   *title.”.*

22       (b) *CLERICAL AMENDMENTS.*—Such section is further  
 23   *amended—*

24                   (1) *in subsection (a), by inserting “FOR BRIGA-*  
 25       *DIER GENERALS AND REAR ADMIRALS (LOWER*

1       *HALF)*” after “*GRADE*” in the subsection heading;  
2       *and*

3               (2) in subsection (b), by inserting “*FOR MAJOR*  
4       *GENERALS AND REAR ADMIRALS*” after “*GRADE*” in  
5       the subsection heading.

6       **SEC. 512. CONSTRUCTIVE SERVICE CREDIT UPON ORIGINAL**  
7                       **APPOINTMENT OF RESERVE OFFICERS IN**  
8                       **CERTAIN HEALTH CARE PROFESSIONS.**

9       (a) *INCLUSION OF ADDITIONAL HEALTH CARE PRO-*  
10       *FESSIONS.*—Paragraph (2) of section 12207(b) of title 10,  
11       *United States Code, is amended to read as follows:*

12               “(2)(A) *If the Secretary of Defense determines that the*  
13       *number of officers in a health profession described in sub-*  
14       *paragraph (B) who are serving in an active status in a*  
15       *reserve component of the Army, Navy, or Air Force in*  
16       *grades below major or lieutenant commander is critically*  
17       *below the number needed in such health profession by such*  
18       *reserve component in such grades, the Secretary of Defense*  
19       *may authorize the Secretary of the military department*  
20       *concerned to credit any person who is receiving an original*  
21       *appointment as an officer for service in such health profes-*  
22       *sion with a period of constructive credit in such amount*  
23       *(in addition to any amount credited such person under*  
24       *paragraph (1)) as will result in the grade of such person*

1 *being that of captain or, in the case of the Navy Reserve,*  
2 *lieutenant.*

3       “(B) *The types of health professions referred to in sub-*  
4 *paragraph (A) include the following:*

5           “(i) *Any health profession performed by officers*  
6 *in the Medical Corps of the Army or the Navy or by*  
7 *officers of the Air Force designated as a medical offi-*  
8 *cer.*

9           “(ii) *Any health profession performed by officers*  
10 *in the Dental Corps of the Army or the Navy or by*  
11 *officers of the Air Force designated as a dental officer.*

12           “(iii) *Any health profession performed by officers*  
13 *in the Medical Service Corps of the Army or the Navy*  
14 *or by officers of the Air Force designated as a medical*  
15 *service officer or biomedical sciences officer.*

16           “(iv) *Any health profession performed by officers*  
17 *in the Army Medical Specialist Corps.*

18           “(v) *Any health profession performed by officers*  
19 *of the Nurse Corps of the Army or the Navy or by of-*  
20 *ficers of the Air Force designated as a nurse.*

21           “(vi) *Any health profession performed by officers*  
22 *in the Veterinary Corps of the Army or by officers*  
23 *designated as a veterinary officer.”.*

1       (b) *CONFORMING AMENDMENT.*—Paragraph (3) of  
 2 such section is amended by striking “a medical or dental  
 3 officer” and inserting “officers covered by paragraph (2)”.

4 **SEC. 513. MAXIMUM PERIOD OF TEMPORARY FEDERAL REC-**  
 5 **OGNITION OF PERSON AS ARMY NATIONAL**  
 6 **GUARD OFFICER OR AIR FORCE RESERVE OF-**  
 7 **FICER.**

8       Section 308(a) of title 32, United States Code, is  
 9 amended in the last sentence by striking “six months” and  
 10 inserting “one year”.

11 **SEC. 514. MILITARY TECHNICIANS (DUAL STATUS) IN THE**  
 12 **SELECTED RESERVE.**

13       (a) *RETENTION OF MILITARY TECHNICIANS WHO*  
 14 *LOSE DUAL STATUS DUE TO COMBAT-RELATED DIS-*  
 15 *ABILITY.*—Section 10216 of title 10, United States Code,  
 16 is amended by inserting after subsection (f) the following  
 17 new subsection:

18       “(g) *RETENTION OF MILITARY TECHNICIANS WHO*  
 19 *LOSE DUAL STATUS DUE TO COMBAT-RELATED DIS-*  
 20 *ABILITY.*—(1) Notwithstanding subsection (d) of this section  
 21 or subsections (a)(3) and (b) of section 10218 of this title,  
 22 if a military technician (dual status) loses such dual status  
 23 as the result of a combat-related disability (as defined in  
 24 section 1413a of this title), the person may be retained as  
 25 a non-dual status technician so long as—

1           “(A) *the combat-related disability does not pre-*  
2           *vent the person from performing the non-dual status*  
3           *functions or position; and*

4           “(B) *the person, while a non-dual status techni-*  
5           *cian, is not disqualified from performing the non-*  
6           *dual status functions or position because of perform-*  
7           *ance, medical, or other reasons.*

8           “(2) *A person so retained shall be removed not later*  
9           *than 30 days after becoming eligible for an unreduced an-*  
10          *nuity and becoming 60 years of age.*

11          “(3) *Persons retained under the authority of this sub-*  
12          *section do not count against the limitations of section*  
13          *10217(c) of this title.”.*

14          (b) *TEMPORARY EMPLOYMENT AUTHORITY.—Sub-*  
15          *section (a) of such section is amended by adding at the end*  
16          *the following new paragraph:*

17          “(4) *The secretary of a military department may tem-*  
18          *porarily waive the requirements of subsection (a)(1)(B) in*  
19          *order to fill a military technician (dual status) position*  
20          *while that position is vacant as a result of the mobilization*  
21          *of the technician normally assigned to that position under*  
22          *a call to active duty for a period of more than 30 days*  
23          *under section 12301, 12302, or 12304 of this title in support*  
24          *of a contingency operation. In no case may the waiver au-*  
25          *thority be used in connection with any position for more*

1 *than two years. The Secretary of Defense shall prescribe reg-*  
2 *ulations to carry out this paragraph.”.*

3 (c) *DEFERRAL OF MANDATORY SEPARATION.*—Sub-  
4 *section (f) of such section is amended—*

5 (1) *by striking “The Secretary of the Army” and*  
6 *inserting “(1) The Secretary of the Army and the*  
7 *Secretary of the Air Force”;*

8 (2) *by striking “the military technician (dual*  
9 *status) reaches age 60 and attains eligibility for an*  
10 *unreduced annuity (as defined in section 10218(c) of*  
11 *this title).” and inserting the following: “the military*  
12 *technician (dual status)—*

13 *“(A) reaches age 60 and attains eligibility for an*  
14 *unreduced annuity; or*

15 *“(B) attains eligibility for an unreduced annu-*  
16 *ity after age 60, but in no case may the separation*  
17 *be deferred for more than 30 days after the person*  
18 *reaches age 62.”; and*

19 (3) *by adding at the end the following new para-*  
20 *graph:*

21 *“(2) For purposes of this subsection, the determination*  
22 *of whether a technician is eligible for an unreduced annuity*  
23 *shall be made in the manner provided by section 10218(d)*  
24 *of this title.”.*

1 **SEC. 515. WORKING GROUP ON REINTEGRATION OF RE-**  
2 **SERVE COMPONENT MEMBERS RETURNING**  
3 **FROM DEPLOYMENT.**

4 (a) *WORKING GROUP REQUIRED.*—*The Secretary of*  
5 *Defense shall establish within the Department of Defense a*  
6 *working group to identify and assess the reintegration needs*  
7 *of members of the reserve components who return from over-*  
8 *seas operational deployment.*

9 (b) *MEMBERS.*—*The working group shall consist of 16*  
10 *members, to be appointed by the Secretary of Defense. The*  
11 *Secretary shall attempt to achieve a balance of members on*  
12 *the working group from, at a minimum, the following:*

13 (1) *The Department of Defense.*

14 (2) *The Department of Veterans Affairs.*

15 (3) *One member each from the Army National*  
16 *Guard of the United States, the Army Reserve, the*  
17 *Navy Reserve, the Marine Corps Reserve, the Air Na-*  
18 *tional Guard of the United States, and the Air Force*  
19 *Reserve.*

20 (4) *At least one dependent of a member of the*  
21 *Army National Guard or Air National Guard who*  
22 *has been deployed overseas.*

23 (5) *At least one dependent of a member of the*  
24 *Army Reserve, Navy Reserve, Marine Corps Reserve,*  
25 *or Air Force Reserve who has been deployed overseas.*

26 (6) *One State adjutant general.*

1           (7) *Representatives of other Federal agencies and*  
2           *non-Federal members, as considered appropriate by*  
3           *the Secretary.*

4           (c) *RESPONSIBILITIES.—The working group shall—*

5           (1) *identify and assess the needs of members of*  
6           *the reserve components returning from deployment in*  
7           *making the transition to civilian life, including mem-*  
8           *bers who have experienced multiple recent deploy-*  
9           *ments and members who have been wounded or in-*  
10          *jured during deployment, and identify and assess the*  
11          *needs of the families of such members;*

12          (2) *develop recommendations on means of im-*  
13          *proving assistance to such members in meeting the*  
14          *needs identified in paragraph (1) on their return*  
15          *from deployment and in meeting the need of their*  
16          *families identified in paragraph (1); and*

17          (3) *assess the current transition and reintegra-*  
18          *tion programs employed by the reserve components for*  
19          *members and their families following redeployment.*

20          (d) *ELEMENTS OF ASSESSMENT.—The assessment re-*  
21          *quired by subsection (c)(3) shall include—*

22          (1) *a comparison of existing reintegration pro-*  
23          *grams by service, State, or command;*

24          (2) *an analysis of participation of other Federal*  
25          *agencies in current programs;*

1           (3) *the costs associated with different programs;*

2           (4) *identification of best practices from existing*  
3 *programs; and*

4           (5) *a recommended plan for incorporating the*  
5 *best practices into current reserve component demobi-*  
6 *lization activities.*

7       (e) *CONSULTATION.*—*In carrying out its responsibil-*  
8 *ities under subsection (c), the working group shall consult*  
9 *with the following:*

10           (1) *Representatives of organizations that assist*  
11 *wounded or injured members of the reserve compo-*  
12 *nents.*

13           (2) *Representatives of organizations that assist*  
14 *family members of members of the reserve components.*

15           (3) *Representatives of such other public or pri-*  
16 *vate organizations and entities as the working group*  
17 *considers appropriate.*

18       (f) *REPORT.*—

19           (1) *REPORT REQUIRED.*—*Not later than 180*  
20 *days after the date of the enactment of this Act, the*  
21 *working group shall submit to the Secretary of De-*  
22 *fense and Congress a report on its activities under*  
23 *subsection (c).*

24           (2) *ELEMENTS.*—*The report shall include the fol-*  
25 *lowing:*

1           (A) *The results of the identifications and*  
2           *assessments required under subsection (c).*

3           (B) *The recommendations developed under*  
4           *subsection (c)(2), including recommendations re-*  
5           *garding the following:*

6                   (i) *The provision of outreach and as-*  
7                   *istance to members of the reserve compo-*  
8                   *nents returning from deployment and the*  
9                   *provision of outreach and assistance to their*  
10                  *families.*

11                  (ii) *The improvement of collaboration*  
12                  *between the public and private sectors in*  
13                  *order to ensure the successful transition of*  
14                  *such members and their families upon the*  
15                  *return of such members from deployment.*

16           (3) *AVAILABILITY TO PUBLIC.—The Secretary*  
17           *shall take appropriate actions to make the report*  
18           *available to the public, including through the internet*  
19           *web site of the Department of Defense.*

20 **SEC. 516. NATIONAL GUARD YELLOW RIBBON REINTEGRA-**  
21 **TION PROGRAM.**

22           (a) *ESTABLISHMENT.—The Secretary of Defense, in*  
23           *coordination with the Chief of the National Guard Bureau,*  
24           *shall establish a national combat veteran reintegration pro-*  
25           *gram to provide National Guard members and their fami-*

1 *lies with sufficient information, services, referral, and*  
2 *proactive outreach opportunities throughout the entire de-*  
3 *ployment cycle. This program shall be known as the Yellow*  
4 *Ribbon Reintegration Program. The Secretary may also use*  
5 *funds made available to carry out this section to support*  
6 *reintegration programs for members of the Army Reserve,*  
7 *Marine Corps Reserve, Navy Reserve, and Air Force Reserve*  
8 *and their families.*

9       **(b) PURPOSE.**—*The Yellow Ribbon Reintegration Pro-*  
10 *gram shall consist of informational events and activities for*  
11 *reserve component members, their families, and community*  
12 *members through the four phases of the deployment cycle:*

13           **(1) Pre-deployment.**

14           **(2) Deployment.**

15           **(3) Demobilization.**

16           **(4) Post-deployment-reconstitution.**

17       **(c) CONSULTATION.**—*The National Guard Bureau*  
18 *Chief shall consult with the following parties during estab-*  
19 *lishment of the program:*

20           **(1) The Adjutant General of the Minnesota Na-**  
21 *tional Guard and officials associated with the State’s*  
22 *“Beyond the Yellow Ribbon” Reintegration Program,*  
23 *the Adjutant General of New Hampshire, the Adju-*  
24 *tant General of Oregon, and the Adjutant General of*  
25 *Washington.*

1           (2) *Adjutants General of the remaining States*  
2           *and territories.*

3           (d) *ORGANIZATION.*—

4           (1) *EXECUTIVE AGENT.*—*The Secretary shall des-*  
5           *ignate the National Guard Bureau as the Department*  
6           *of Defense executive agent for the Yellow Ribbon Re-*  
7           *integration Program.*

8           (2) *ESTABLISHMENT OF THE OFFICE FOR RE-*  
9           *INTEGRATION PROGRAMS.*—

10           (A) *IN GENERAL.*—*The National Guard Bu-*  
11           *reau shall establish the Office for Reintegration*  
12           *Programs within the National Guard Bureau*  
13           *Joint Staff. This office shall administer all re-*  
14           *integration programs in coordination with State*  
15           *National Guard organizations. The office shall be*  
16           *responsible for coordination with existing Na-*  
17           *tional Guard family and support programs. The*  
18           *Directors of the Army National Guard and Air*  
19           *National Guard may appoint liaison officers to*  
20           *work with the permanent office staff. The office*  
21           *shall closely coordinate with the Army National*  
22           *Guard and Air National Guard Directorates for*  
23           *Manpower and Personnel with respect to existing*  
24           *family support structure, mobilization schedules,*

1           *training schedules, training plans and programs,*  
2           *and any other personnel issues.*

3           (B) *ESTABLISHMENT OF A CENTER FOR EX-*  
4           *CELLENCE IN REINTEGRATION.*—*The Office for*  
5           *Reintegration Programs shall establish a Center*  
6           *for Excellence in Reintegration within the office.*  
7           *The Center shall collect and analyze “lessons*  
8           *learned” and suggestions from State National*  
9           *Guard organizations with existing or developing*  
10           *reintegration programs. The Center shall also as-*  
11           *sist in developing training aids and briefing ma-*  
12           *terials and training representatives from State*  
13           *National Guard organizations. Representatives*  
14           *from State National Guard organizations with*  
15           *successful reintegration programs may augment*  
16           *the Office staff.*

17           (3) *ADVISORY BOARD.*—

18           (A) *APPOINTMENT.*—*The Chief of the Na-*  
19           *tional Guard Bureau shall appoint an advisory*  
20           *board to analyze and report areas of success and*  
21           *areas for necessary improvements. The advisory*  
22           *board shall include, but is not limited to, the Di-*  
23           *rector of the Army National Guard, the Director*  
24           *of the Air National Guard, the Assistant Sec-*  
25           *retary of Defense for Reserve Affairs, an Adju-*

1           *tant General on a rotational basis as determined*  
2           *by the Chief of the National Guard Bureau, the*  
3           *Director of the National Guard Bureau Man-*  
4           *power and Personnel Directorate (J-1), and any*  
5           *other Department of Defense, Federal Govern-*  
6           *ment agency, or outside organization as deter-*  
7           *mined by the Chief of the National Guard Bu-*  
8           *reau. The members of the advisory board may*  
9           *designate representatives in their stead.*

10           *(B) SCHEDULE.—The advisory board shall*  
11           *meet on a schedule as determined by the Chief of*  
12           *the National Guard Bureau.*

13           *(C) INITIAL REPORTING REQUIREMENT.—*  
14           *The advisory board shall issue internal reports*  
15           *as necessary and shall submit an initial report*  
16           *to the Committees on Armed Services not later*  
17           *than 180 days after the end of a one-year period*  
18           *from establishment of the Office for Reintegra-*  
19           *tion Programs. This report shall contain—*

20                   *(i) an evaluation of the reintegration*  
21                   *program's implementation by State Na-*  
22                   *tional Guard organizations;*

23                   *(ii) an assessment of any unmet re-*  
24                   *source requirements;*

1           (iii) an assessment of the reintegration  
2           program's further inclusion of other reserve  
3           component members and the necessity for  
4           further expansion to incorporate all the re-  
5           serve components; and

6           (iv) recommendations regarding closer  
7           coordination between the Office of Re-  
8           integration Programs and State National  
9           Guard organizations.

10          (D) ANNUAL REPORTS.—The advisory  
11          board shall submit annual reports to the Com-  
12          mittees on Armed Services of the Senate and  
13          House of Representatives following the initial re-  
14          port by the first week in March of subsequent  
15          years following the initial report.

16          (4) STATE DEPLOYMENT CYCLE SUPPORT  
17          TEAMS.—The Office for Reintegration Programs shall  
18          employ personnel to administer the Yellow Ribbon  
19          Reintegration Program at the State level. The Chief  
20          of the National Guard Bureau shall assign State De-  
21          ployment Cycle Support Team members based on  
22          State need, geographical dispersion, and military  
23          population. The Office for Reintegration Programs is  
24          encouraged to employ wounded service members and

1        *returning combat veterans whenever possible. The pri-*  
2        *mary function of team members shall be—*

3                *(A) developing and managing the reintegra-*  
4                *tion curriculum;*

5                *(B) contracting and recruiting for necessary*  
6                *service providers; and*

7                *(C) ensuring that providers' skills adapt to*  
8                *the unique military nature of the reintegration*  
9                *program.*

10        *(e) PROGRAM.—*

11                *(1) IN GENERAL.—The Office for Reintegration*  
12                *Programs shall analyze the demographics, placement*  
13                *of State Family Assistance Centers (FAC), and FAC*  
14                *resources before a mobilization alert is issued to af-*  
15                *ected State National Guard organizations. The Office*  
16                *of Reintegration Programs shall consult with affected*  
17                *State National Guard organizations following the*  
18                *issuance of a mobilization alert and implement the*  
19                *reintegration events in accordance with the Re-*  
20                *integration Program phase model.*

21                *(2) PRE-DEPLOYMENT PHASE.—The pre-deploy-*  
22                *ment phase shall constitute the time from first notifi-*  
23                *cation of mobilization until deployment of the mobi-*  
24                *lized National Guard unit. Events and activities shall*  
25                *focus on providing education and ensuring the readi-*

1        *ness of service members, families, and communities*  
2        *for the rigors of a combat deployment.*

3            (3) *DEPLOYMENT PHASE.—The deployment*  
4        *phase shall constitute the period from deployment of*  
5        *the mobilized National Guard unit until the unit ar-*  
6        *ries at a demobilization station inside the conti-*  
7        *ental United States. Events and services provided*  
8        *shall focus on the challenges and stress associated*  
9        *with separation and having a member in a combat*  
10       *zone. Information sessions shall utilize State National*  
11       *Guard resources in coordination with the Employer*  
12       *Support of Guard and Reserve Office, Transition As-*  
13       *sistance Advisors, and the State Family Programs*  
14       *Director.*

15            (4) *DEMOBILIZATION PHASE.—*

16            (A) *IN GENERAL.—The demobilization*  
17        *phase shall constitute the period from arrival of*  
18        *the National Guard unit at the demobilization*  
19        *station until its departure for home station. In*  
20        *the interest of returning members as soon as pos-*  
21        *sible to their home stations, reintegration brief-*  
22        *ings during the demobilization phase shall be*  
23        *minimized. State Deployment Cycle Support*  
24        *Teams are encouraged, however, to assist demobi-*  
25        *lizing members in enrolling in the Department*

1           *of Veterans Affairs system using form 1010EZ*  
2           *during the Demobilization Phase. State Deploy-*  
3           *ment Cycle Support Teams may provide other*  
4           *events from the initial reintegration activity as*  
5           *determined by the State National Guard organi-*  
6           *zations. Remaining events shall be conducted*  
7           *during the post-deployment-reconstitution phase.*

8           *(B) INITIAL REINTEGRATION ACTIVITY.—*

9           *The purpose of this reintegration program is to*  
10          *educate service members about the resources that*  
11          *are available to them and to connect members to*  
12          *service providers who can assist them in over-*  
13          *coming the challenges of reintegration*

14          *(5) POST-DEPLOYMENT-RECONSTITUTION*

15          *PHASE.—*

16                 *(A) IN GENERAL.—The post-deployment-re-*  
17                 *constitution phase shall constitute the period*  
18                 *from arrival at home station until 180 days fol-*  
19                 *lowing demobilization. Activities and services*  
20                 *provided shall focus on reconnecting service*  
21                 *members with their families and communities*  
22                 *and providing resources and information nec-*  
23                 *essary for successful reintegration. Reintegration*  
24                 *events shall begin with elements of the Initial*

1           *Reintegration Activity* program that were not  
2           *completed during the demobilization phase.*

3           (B) 30-DAY, 60-DAY, AND 90-DAY RE-  
4           INTEGRATION ACTIVITIES.—*The State National*  
5           *Guard organizations shall hold reintegration ac-*  
6           *tivities at the 30-day, 60-day, and 90-day inter-*  
7           *val following demobilization. These activities*  
8           *shall focus on reconnecting service members and*  
9           *family members with the service providers from*  
10           *initial reintegration activity to ensure service*  
11           *members and their families understand what*  
12           *benefits they are entitled to and what resources*  
13           *are available to help them overcome the chal-*  
14           *lenges of reintegration. The reintegration activi-*  
15           *ties shall also provide a forum for service mem-*  
16           *bers and families to address negative behaviors*  
17           *related to combat stress and transition.*

18           (C) SERVICE MEMBER PAY.—*Service mem-*  
19           *bers shall receive appropriate pay for days spent*  
20           *attending the Reintegration Activities at the 30-*  
21           *day, 60-day, and 90-day interval.*

22           (D) MONTHLY INDIVIDUAL REINTEGRATION  
23           PROGRAM.—*The Office for Reintegration Pro-*  
24           *grams, in coordination with State National*  
25           *Guard organizations, shall offer a monthly re-*

1           *integration program for individual service mem-*  
2           *bers released from active duty or formerly in a*  
3           *medical hold status. The program shall focus on*  
4           *the special needs of this service member subset*  
5           *and the Office for Reintegration Programs shall*  
6           *develop an appropriate program of services and*  
7           *information.*

8   **SEC. 517. ADVANCE NOTICE TO MEMBERS OF RESERVE**  
9                   **COMPONENTS OF DEPLOYMENT IN SUPPORT**  
10                   **OF CONTINGENCY OPERATIONS.**

11           *(a) ADVANCE NOTICE REQUIRED.—The Secretary of*  
12   *Defense shall ensure that a member of a reserve component*  
13   *who will be called or ordered to active duty for a period*  
14   *of more than 30 days in support of a contingency operation*  
15   *(as defined in section 101(a)(13) of title 10, United States*  
16   *Code) receives notice in advance of the mobilization date.*  
17   *At a minimum the notice shall be provided not less than*  
18   *30 days before the mobilization date, but with a goal of*  
19   *90 days before the mobilization date.*

20           *(b) REDUCTION OR WAIVER OF NOTICE REQUIRE-*  
21   *MENT.—The Secretary of Defense may waive the require-*  
22   *ment of subsection (a), or authorize shorter notice than the*  
23   *minimum specified in such subsection, during a war or na-*  
24   *tional emergency declared by the President or Congress or*  
25   *to meet mission requirements. If the waiver or reduction*

1 *is made on account of mission requirements, the Secretary*  
2 *shall submit to Congress a report detailing the reasons for*  
3 *the waiver or reduction and the mission requirements at*  
4 *issue.*

5 ***Subtitle C—Education and***  
6 ***Training***

7 ***SEC. 521. REDUCTION OR ELIMINATION OF SERVICE OBLI-***  
8 ***GATION IN AN ARMY RESERVE OR ARMY NA-***  
9 ***TIONAL GUARD TROOP PROGRAM UNIT FOR***  
10 ***CERTAIN PERSONS SELECTED AS MEDICAL***  
11 ***STUDENTS AT UNIFORMED SERVICES UNI-***  
12 ***VERSITY OF THE HEALTH SCIENCES.***

13 *Paragraph (3) of section 2107a(b) of title 10, United*  
14 *States Code, is amended to read as follows:*

15 *“(3)(A) Subject to subparagraph (C), in the case of a*  
16 *person described in subparagraph (B), the Secretary may,*  
17 *at any time and with the consent of the person, modify an*  
18 *agreement described in paragraph (1)(F) submitted by the*  
19 *person for the purpose of reducing or eliminating the troop*  
20 *program unit service obligation specified in the agreement*  
21 *and to establish, in lieu of that obligation, an active duty*  
22 *service obligation.*

23 *“(B) Subparagraph (A) applies with respect to the fol-*  
24 *lowing persons:*

1           “(i) A cadet under this section at a military jun-  
2           ior college.

3           “(ii) A cadet or former cadet under this section  
4           who is selected under section 2114 of this title to be  
5           a medical student at the Uniformed Services Univer-  
6           sity of the Health Sciences.

7           “(iii) A cadet or former cadet under this section  
8           who signs an agreement under section 2122 of this  
9           title for participation in the Armed Forces Health  
10          Professions Scholarship and Financial Assistance  
11          program.

12          “(C) The modification of an agreement described in  
13          paragraph (1)(F) may be made only if the Secretary deter-  
14          mines that it is in the best interests of the United States  
15          to do so.”.

16   **SEC. 522. INCREASE IN ANNUAL LIMIT ON NUMBER OF**  
17                            **ROTC SCHOLARSHIPS UNDER ARMY RESERVE**  
18                            **AND ARMY NATIONAL GUARD PROGRAM.**

19          Subsection (h) of section 2107a of title 10, United  
20          States Code, is amended by striking “416” and inserting  
21          “424”.

22   **SEC. 523. REVISIONS TO AUTHORITY TO PAY TUITION FOR**  
23                            **OFF-DUTY TRAINING OR EDUCATION.**

24          (a) **INCLUSION OF COAST GUARD.**—Section 2007(a) of  
25          title 10, United States Code, is amended by striking “Sub-

1 *ject to subsection (b), the Secretary of a military depart-*  
2 *ment” and inserting “Subject to subsections (b) and (c),*  
3 *the Secretary concerned”.*

4 (b) *COMMISSIONED OFFICERS ON ACTIVE DUTY.—Section*  
5 *2007(b) of title 10, United States Code, is amended—*

6 (1) *in paragraph (1)—*

7 (A) *by inserting after “commissioned officer*  
8 *on active duty” the following: “(other than a*  
9 *member of the Ready Reserve)”;*

10 (B) *by striking “the Secretary of the mili-*  
11 *tary department concerned” and inserting “the*  
12 *Secretary concerned”;* and

13 (C) *by striking “or full-time National*  
14 *Guard duty” both places it appears; and*

15 (2) *in paragraph (2)—*

16 (A) *in the matter preceding subparagraph*  
17 *(A), by striking “the Secretary of the military*  
18 *department” and inserting “the Secretary con-*  
19 *cerned”;*

20 (B) *in subparagraph (B), by inserting after*  
21 *“active duty service” the following: “for which*  
22 *the officer was ordered to active duty”;* and

23 (C) *in subparagraph (C), by striking “Sec-*  
24 *retary” and inserting “Secretary concerned”.*

1       (c) *AUTHORITY TO PAY TUITION ASSISTANCE TO MEM-*  
2 *BERS OF THE READY RESERVE.*—Section 2007(c) of title  
3 10, United States Code, is amended to read as follows:

4       “(c) *In the case of a member of the Ready Reserve,*  
5 *the following provisions apply:*

6           “(1) *If the member is an officer of the Selected*  
7 *Reserve, or of the Ready Reserve but not of the Se-*  
8 *lected Reserve, the Secretary concerned may not pay*  
9 *charges under subsection (a) unless the officer agrees*  
10 *to remain a member of the Selected Reserve or of the*  
11 *Ready Reserve (as applicable) for at least four years*  
12 *after completion of the education or training for*  
13 *which the charges are paid.*

14           “(2) *If the member is an enlisted member in the*  
15 *Selected Reserve, or in the Ready Reserve but not in*  
16 *the Selected Reserve, the Secretary concerned may*  
17 *order the member to serve, after completion of the edu-*  
18 *cation or training for which the charges are paid, in*  
19 *the Selected Reserve or in the Ready Reserve (as ap-*  
20 *plicable) for such period of time as the Secretary con-*  
21 *cerned prescribes, but not for more than four years.*

22           “(3) *In addition, if the member is a member of*  
23 *the Individual Ready Reserve, the Secretary con-*  
24 *cerned may not pay charges under subsection (a) un-*  
25 *less the Secretary concerned, based upon the needs of*

1       *the service and the military skills or specialties of the*  
2       *member, selects the member for participation under*  
3       *this section. The Secretary concerned shall designate*  
4       *the military skills or specialties of members to be eli-*  
5       *gible for selection under this section.”.*

6       *(d) CONFORMING AMENDMENT.—Section 2007 of title*  
7       *10, United States Code, is further amended—*

8               *(1) by striking subsection (d); and*

9               *(2) by redesignating subsections (e) and (f) as*  
10       *subsections (d) and (e), respectively.*

11       *(e) REPAYMENT.—Subsection (e) of such section, as so*  
12       *redesignated by subsection (d), is amended—*

13               *(1) by striking “an officer” and inserting “a*  
14       *member”;*

15               *(2) by striking “subsection (b)” and inserting*  
16       *“this section”;*

17               *(3) by striking “of active duty”; and*

18               *(4) by striking “the officer” and inserting “the*  
19       *member”.*

20       *(f) REGULATIONS.—Such section is further amended*  
21       *by adding at the end the following new subsection:*

22               *“(f) This section shall be administered under regula-*  
23       *tions prescribed by the Secretary of Defense or, with respect*  
24       *to the Coast Guard when it is not operating as a service*  
25       *in the Navy, the Secretary of Homeland Security.”.*

1 **SEC. 524. NATIONAL DEFENSE UNIVERSITY MASTER'S DE-**  
2 **GREE PROGRAMS.**

3 (a) *IN GENERAL.*—Section 2163 of title 10, United  
4 States Code, is amended—

5 (1) *by striking the heading and inserting the fol-*  
6 *lowing:*

7 **“§2163. National Defense University: master’s degree**  
8 **programs”;**

9 (2) *in subsection (a), by inserting after “master*  
10 *of science” the following: “or master of arts”; and*

11 (3) *in subsection (b), by adding at the end the*  
12 *following new paragraph:*

13 “(4) *MASTER OF ARTS IN STRATEGIC SECURITY*  
14 *STUDIES.*—*The degree of master of arts in strategic*  
15 *security studies, to graduates of the University who*  
16 *fulfill the requirements of the program at the School*  
17 *for National Security Executive Education.”.*

18 (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
19 *the beginning of chapter 108 of such title is amended by*  
20 *striking the item relating to section 2163 and inserting the*  
21 *following new item:*

“2163. *National Defense University: master’s degree programs.”.*

22 (c) *APPLICABILITY TO 2006-2007 GRADUATES.*—*Para-*  
23 *graph (4) of section 2163(b) of title 10, United States Code*  
24 *(as added by subsection (a) of this section), applies to any*

1 *person who becomes a graduate on or after September 6,*  
 2 *2006.*

3 **SEC. 525. RECODIFICATION IN TITLE 38, UNITED STATES**  
 4 **CODE, OF CERTAIN EDUCATIONAL ASSIST-**  
 5 **ANCE PROGRAMS FOR MEMBERS OF THE RE-**  
 6 **SERVE COMPONENTS.**

7 *(a) IN GENERAL.—Part III of title 38, United States*  
 8 *Code, is amended by inserting after chapter 32 the following*  
 9 *new chapter:*

10 **“CHAPTER 33—EDUCATIONAL ASSISTANCE**  
 11 **FOR MEMBERS OF THE RESERVE COM-**  
 12 **PONENTS**

*“SUBCHAPTER I—MEMBERS OF THE SELECTED RESERVE*

*“Sec.*

*“3301. Educational assistance program: establishment; amount.*

*“3302. Eligibility for educational assistance.*

*“3303. Time limitation for use of entitlement.*

*“3304. Termination of assistance.*

*“3305. Failure to participate satisfactorily; penalties.*

*“3306. Administration of program*

*“3307. Reports to Congress.*

*“SUBCHAPTER II—RESERVE COMPONENT MEMBERS SUPPORTING CONTINGENCY  
 OPERATIONS AND CERTAIN OTHER OPERATIONS*

*“3321. Purpose.*

*“3322. Educational assistance program.*

*“3323. Eligibility for educational assistance.*

*“3324. Time limitation for use of entitlement.*

*“3325. Termination of assistance.*

*“3326. Administration of program.*

1 “SUBCHAPTER I—MEMBERS OF THE SELECTED  
2 RESERVE

3 “§ 3301. **Educational assistance program: establish-**  
4 **ment; amount**

5 “(a) *ESTABLISHMENT.*—To encourage membership in  
6 units of the Selected Reserve of the Ready Reserve, the Sec-  
7 retary of Veterans Affairs, shall establish and maintain a  
8 program to provide educational assistance to members of  
9 the Selected Reserve of the Ready Reserve of the Armed  
10 Forces. The Secretary of each military department shall,  
11 under regulations prescribed by the Secretary of Defense,  
12 provide to individuals who meet the eligibility requirements  
13 under section 3302 of this title the opportunity to receive  
14 educational assistance under this subchapter and shall  
15 maintain a program to increase the rate of educational as-  
16 sistance under this subchapter in accordance with sub-  
17 section (i).

18 “(b) *AMOUNT OF PAYMENT.*—(1) Each educational as-  
19 sistance program established under subsection (a) shall pro-  
20 vide for payment by the Secretary of Veterans Affairs of  
21 an educational assistance allowance to each person entitled  
22 to educational assistance under this subchapter who is pur-  
23 suing a program of education. Except as provided in sub-  
24 sections (d) through (f), the educational assistance allow-  
25 ance shall be paid at the rates in effect under the former

1 *chapter 1606 of title 10, as in effect immediately before the*  
2 *date of the enactment of the National Defense Authorization*  
3 *Act for Fiscal Year 2008, as increased under paragraph (3).*

4       “(2) *For each month of less than half-time pursuit of*  
5 *a program of education, educational assistance under this*  
6 *subchapter shall be paid at a rate of 25 percent of the*  
7 *amount payable for a month of full-time pursuit of a pro-*  
8 *gram of education, except that no payment may be made*  
9 *to a person for less than half-time pursuit if tuition assist-*  
10 *ance is otherwise available to the person for such pursuit*  
11 *from the military department concerned.*

12       “(3) *With respect to any fiscal year, the Secretary*  
13 *shall provide a percentage increase (rounded to the nearest*  
14 *dollar) in the rates payable under subparagraphs (A), (B),*  
15 *and (C) of paragraph (1) equal to the percentage by*  
16 *which—*

17               “(A) *the Consumer Price Index (all items,*  
18 *United States city average) for the 12-month period*  
19 *ending on the June 30 preceding the beginning of the*  
20 *fiscal year for which the increase is made, exceeds*

21               “(B) *such Consumer Price Index for the 12-*  
22 *month period preceding the 12-month period described*  
23 *in subparagraph (A).*

24       “(c) *APPROVED PROGRAMS OF EDUCATION; MAXIMUM*  
25 *MONTHS OF ASSISTANCE.—(1) Educational assistance may*

1 *be provided under this subchapter for pursuit of any pro-*  
2 *gram of education that is an approved program of edu-*  
3 *cation for purposes of chapter 30 of this title.*

4       “(2) *Subject to section 3695 of this title, the maximum*  
5 *number of months of educational assistance that may be*  
6 *provided to any person under this subchapter is 36 (or the*  
7 *equivalent thereof in part-time educational assistance).*

8       “(3)(A) *Notwithstanding any other provision of this*  
9 *subchapter or chapter 36 of this title, any payment of an*  
10 *educational assistance allowance described in subparagraph*  
11 *(B) of this paragraph shall not—*

12               “(i) *be charged against the entitlement of any*  
13 *individual under this subchapter; or*

14               “(ii) *be counted toward the aggregate period for*  
15 *which section 3695 of this title limits an individual’s*  
16 *receipt of assistance.*

17       “(B) *The payment of the educational assistance allow-*  
18 *ance referred to in subparagraph (A) of this paragraph is*  
19 *the payment of such an allowance to the individual for pur-*  
20 *suit of a course or courses under this subchapter if the Sec-*  
21 *retary of Veterans Affairs finds that the individual—*

22               “(i) *had to discontinue such course pursuit as a*  
23 *result of being ordered to serve on active duty under*  
24 *section 12301(a), 12301(d), 12301(g), 12302, or*  
25 *12304 of title 10; and*

1           “(ii) failed to receive credit or training time to-  
2           ward completion of the individual’s approved edu-  
3           cational, professional, or vocational objective as a re-  
4           sult of having to discontinue, as described in clause  
5           (i), the individual’s course pursuit.

6           “(C) The period for which, by reason of this subsection,  
7           an educational assistance allowance is not charged against  
8           entitlement or counted toward the applicable aggregate pe-  
9           riod under section 3695 of this title shall not exceed the  
10          portion of the period of enrollment in the course or courses  
11          for which the individual failed to receive credit or with re-  
12          spect to which the individual lost training time, as deter-  
13          mined under subparagraph (B)(ii).

14          “(d) PROGRAMS OF APPRENTICESHIP.—(1) Except as  
15          provided in paragraph (2), the amount of the monthly edu-  
16          cational assistance allowance payable to a person pursuing  
17          a full-time program of apprenticeship or other on-the-job  
18          training under this subchapter is—

19                 “(A) for each of the first six months of the per-  
20                 son’s pursuit of such program, 75 percent of the  
21                 monthly educational assistance allowance otherwise  
22                 payable to such person under this subchapter;

23                 “(B) for each of the second six months of the per-  
24                 son’s pursuit of such program, 55 percent of such  
25                 monthly educational assistance allowance; and

1           “(C) for each of the months following the first 12  
2           months of the person’s pursuit of such program, 35  
3           percent of such monthly educational assistance allow-  
4           ance.

5           “(2) In any month in which any person pursuing a  
6           program of education consisting of a program of appren-  
7           ticeship or other on-the-job training fails to complete 120  
8           hours of training, the amount of the monthly educational  
9           assistance allowance payable under this subchapter to the  
10          person shall be limited to the same proportion of the appli-  
11          cable full-time rate as the number of hours worked during  
12          such month, rounded to the nearest 8 hours, bears to 120  
13          hours.

14          “(3)(A) Except as provided in subparagraph (B), for  
15          each month that such person is paid a monthly educational  
16          assistance allowance under this subchapter, the person’s en-  
17          titlement under this subchapter shall be charged at the rate  
18          of—

19                  “(i) 75 percent of a month in the case of pay-  
20                  ments made in accordance with paragraph (1)(A);

21                  “(ii) 55 percent of a month in the case of pay-  
22                  ments made in accordance with paragraph (1)(B);  
23                  and

24                  “(iii) 35 percent of a month in the case of pay-  
25                  ments made in accordance with paragraph (1)(C).

1       “(B) Any such charge to the entitlement shall be re-  
2       duced proportionately in accordance with the reduction in  
3       payment under paragraph (2).

4       “(e) CORRESPONDENCE COURSES.—(1)(A) The  
5       amount of the educational assistance allowance payable  
6       under this subchapter to a person who enters into an agree-  
7       ment to pursue, and is pursuing, a program of education  
8       exclusively by correspondence is an amount equal to 55 per-  
9       cent of the established charge which the institution requires  
10      nonveterans to pay for the course or courses pursued by such  
11      person.

12      “(B) For purposes of subparagraph (A), the term ‘es-  
13      tablished charge’ means the lesser of—

14              “(i) the charge for the course or courses deter-  
15              mined on the basis of the lowest extended time pay-  
16              ment plan offered by the institution and approved by  
17              the appropriate State approving agency; or

18              “(ii) the actual charge to the person for such  
19              course or courses.

20      “(C) Such allowance shall be paid quarterly on a pro  
21      rata basis for the lessons completed by the person and serv-  
22      iced by the institution.

23      “(2) In each case in which the amount of educational  
24      assistance is determined under paragraph (1), the period  
25      of entitlement of the person concerned shall be charged with

1 *one month for each amount equal to the amount of the*  
2 *monthly rate payable under subsection (b)(1)(A) for the fis-*  
3 *cal year concerned which is paid to the individual as an*  
4 *educational assistance allowance.*

5       “(f) *FLIGHT TRAINING.*—(1) *The Secretary of Veterans*  
6 *Affairs may approve the pursuit of flight training (in addi-*  
7 *tion to a course of flight training that may be approved*  
8 *under section 3680A(b) of this title) by an individual enti-*  
9 *tled to educational assistance under this subchapter if—*

10               “(A) *such training is generally accepted as nec-*  
11 *essary for the attainment of a recognized vocational*  
12 *objective in the field of aviation;*

13               “(B) *the individual possesses a valid private*  
14 *pilot certificate and meets, on the day the individual*  
15 *begins a course of flight training, the medical require-*  
16 *ments necessary for a commercial pilot certificate;*  
17 *and*

18               “(C) *the flight school courses meet Federal Avia-*  
19 *tion Administration standards for such courses and*  
20 *are approved by the Federal Aviation Administration*  
21 *and the State approving agency.*

22       “(2) *Each individual who is pursuing a program of*  
23 *education consisting exclusively of flight training approved*  
24 *as meeting the requirements of paragraph (1) shall be paid*  
25 *an educational assistance allowance under this subchapter*

1 *in the amount equal to 60 percent of the established charges*  
2 *for tuition and fees which similarly circumstanced non-*  
3 *veterans enrolled in the same flight course are required to*  
4 *pay.*

5       “(3) *No educational assistance allowance may be paid*  
6 *under this subchapter to an individual for any month dur-*  
7 *ing which such individual is pursuing a program of edu-*  
8 *cation consisting exclusively of flight training until the Sec-*  
9 *retary has received from that individual and the institution*  
10 *providing such training a certification of the flight training*  
11 *received by the individual during that month and the tui-*  
12 *tion and other fees charged for that training.*

13       “(4) *The period of entitlement of an individual pur-*  
14 *suing a program of education described in paragraph (1)*  
15 *shall be charged with one month for each amount equal to*  
16 *the amount of the monthly rate payable under subsection*  
17 *(b)(1)(A) for the fiscal year concerned which is paid to that*  
18 *individual as an educational assistance allowance for such*  
19 *program.*

20       “(5) *The number of solo flying hours for which an in-*  
21 *dividual may be paid an educational assistance allowance*  
22 *under this subsection may not exceed the minimum number*  
23 *of solo flying hours required by the Federal Aviation Ad-*  
24 *ministration for the flight rating or certification which is*  
25 *the goal of the individual’s flight training.*

1           “(g) *INDIVIDUALIZED TUTORIAL ASSISTANCE.—(1)(A)*  
2 *Subject to subparagraph (B), the Secretary of Veterans Af-*  
3 *fairs shall approve individualized tutorial assistance for*  
4 *any person entitled to educational assistance under this*  
5 *subchapter who—*

6                       “(i) *is enrolled in and pursuing a postsec-*  
7 *ondary course of education on a half-time or*  
8 *more basis at an educational institution; and*

9                       “(ii) *has a deficiency in a subject required*  
10 *as a part of, or which is prerequisite to, or which*  
11 *is indispensable to the satisfactory pursuit of, the*  
12 *program of education.*

13           “(B) *The Secretary of Veterans Affairs shall not ap-*  
14 *prove individualized tutorial assistance for a person pur-*  
15 *suing a program of education under this paragraph unless*  
16 *such assistance is necessary for the person to successfully*  
17 *complete the program of education.*

18           “(2)(A) *Subject to subparagraph (B), the Secretary of*  
19 *Veterans Affairs shall pay to a person receiving individual-*  
20 *ized tutorial assistance pursuant to paragraph (1) a tuto-*  
21 *rial assistance allowance. The amount of the allowance pay-*  
22 *able under this paragraph may not exceed \$100 for any*  
23 *month, nor aggregate more than \$1,200. The amount of the*  
24 *allowance paid under this paragraph shall be in addition*

1 *to the amount of educational assistance allowance payable*  
2 *to a person under this subchapter.*

3       “(B) *A tutorial assistance allowance may not be paid*  
4 *to a person under this paragraph until the educational in-*  
5 *stitution at which the person is enrolled certifies that—*

6               “(i) *the individualized tutorial assistance is es-*  
7 *sential to correct a deficiency of the person in a sub-*  
8 *ject required as a part of, or which is prerequisite to,*  
9 *or which is indispensable to the satisfactory pursuit*  
10 *of, an approved program of education;*

11               “(ii) *the tutor chosen to perform such assistance*  
12 *is qualified to provide such assistance and is not the*  
13 *person’s parent, spouse, child (whether or not married*  
14 *or over eighteen years of age), brother, or sister; and*

15               “(iii) *the charges for such assistance do not ex-*  
16 *ceed the customary charges for such tutorial assist-*  
17 *ance.*

18       “(3)(A) *A person’s period of entitlement to educational*  
19 *assistance under this subchapter shall be charged only with*  
20 *respect to the amount of tutorial assistance paid to the per-*  
21 *son under this subsection in excess of \$600.*

22       “(B) *A person’s period of entitlement to educational*  
23 *assistance under this subchapter shall be charged at the rate*  
24 *of one month for each amount of assistance paid to the indi-*  
25 *vidual under this section in excess of \$600 that is equal*

1 *to the amount of the monthly educational assistance allow-*  
2 *ance which the person is otherwise eligible to receive for full-*  
3 *time pursuit of an institutional course under this sub-*  
4 *chapter.*

5       “(h) *COURSES BEYOND BACCALAUREATE DEGREE.—*  
6 *A program of education in a course of instruction beyond*  
7 *the baccalaureate degree level shall be provided under this*  
8 *subchapter, subject to the availability of appropriations.*

9       “(i) *SPECIAL SKILLS.—(1) In the case of a person who*  
10 *has a skill or specialty designated by the Secretary of the*  
11 *military department concerned as a skill or specialty in*  
12 *which there is a critical shortage of personnel or for which*  
13 *it is difficult to recruit or, in the case of critical units, re-*  
14 *tain personnel, the Secretary of the military department*  
15 *concerned may increase the rate of the educational assist-*  
16 *ance allowance applicable to that person to such rate in*  
17 *excess of the rate prescribed under subparagraphs (A)*  
18 *through (D) of subsection (b)(1) as the Secretary of Defense*  
19 *considers appropriate, but the amount of any such increase*  
20 *may not exceed \$350 per month.*

21       “(2) *In the case of a person who has a skill or specialty*  
22 *designated by the Secretary of the military department con-*  
23 *cerned as a skill or specialty in which there is a critical*  
24 *shortage of personnel or for which it is difficult to recruit*  
25 *or, in the case of critical units, retain personnel, who is*

1 *eligible for educational benefits under chapter 30 (other*  
2 *than section 3012) of this title and who meets the eligibility*  
3 *criteria specified in subparagraphs (A) and (B) of section*  
4 *3302(a)(1) of this title, the Secretary of the military depart-*  
5 *ment concerned may increase the rate of the educational*  
6 *assistance allowance applicable to that person to such rate*  
7 *in excess of the rate prescribed under section 3015 of this*  
8 *title as the Secretary of Defense considers appropriate, but*  
9 *the amount of any such increase may not exceed \$350 per*  
10 *month.*

11       “(3) *The authority provided by paragraphs (1) and*  
12 *(2) shall be exercised by the Secretaries of the military de-*  
13 *partments under regulations prescribed by the Secretary of*  
14 *Defense.*

15       “(j) *LICENSING AND CERTIFICATION.—(1) Subject to*  
16 *paragraph (3), the amount of educational assistance pay-*  
17 *able under this subchapter for a licensing or certification*  
18 *test described in section 3452(b) of this title is the lesser*  
19 *of \$2,000 or the fee charged for the test.*

20       “(2) *The number of months of entitlement charged in*  
21 *the case of any individual for such licensing or certification*  
22 *test is equal to the number (including any fraction) deter-*  
23 *mined by dividing the total amount of educational assist-*  
24 *ance paid such individual for such test by the full-time*  
25 *monthly institutional rate of educational assistance which,*

1 *but for paragraph (1), such individual would otherwise be*  
2 *paid under subsection (b).*

3       “(3) *In no event shall payment of educational assist-*  
4 *ance under this subsection for such a test exceed the amount*  
5 *of the individual’s available entitlement under this sub-*  
6 *chapter.*

7 **“§ 3302. Eligibility for educational assistance**

8       “(a) *ELIGIBILITY.—A person who—*

9               “(1) *after June 30, 1985—*

10                       “(A) *enlists, reenlists, or extends an enlist-*  
11 *ment as a Reserve for service in the Selected Re-*  
12 *serve for a period of not less than six years; or*

13                       “(B) *is appointed as, or is serving as, a re-*  
14 *serve officer and agrees to serve in the Selected*  
15 *Reserve for a period of not less than six years in*  
16 *addition to any other period of obligated service*  
17 *in the Selected Reserve to which the person may*  
18 *be subject; and*

19               “(2) *before applying for benefits under this sec-*  
20 *tion, has completed the requirements of a secondary*  
21 *school diploma (or an equivalency certificate);*  
22 *is entitled to educational assistance under section 3301 of*  
23 *this title.*

24       “(b) *ACTIVE DUTY FOR TRAINING REQUIRED.—Edu-*  
25 *cational assistance may not be provided to a member under*

1 *this subchapter until the member has completed the initial*  
2 *period of active duty for training required of the member.*

3       “(c) *NOTIFICATION.—Each person who becomes enti-*  
4 *tled to educational assistance under subsection (a) shall at*  
5 *the time the person becomes so entitled be given a statement*  
6 *in writing summarizing the provisions of this subchapter*  
7 *and stating clearly and prominently the substance of sec-*  
8 *tions 3304 and 3305 of this title as such sections may apply*  
9 *to the person. At the request of the Secretary of Veterans*  
10 *Affairs, the Secretary of Defense shall transmit a notice of*  
11 *entitlement for each such person to that Secretary.*

12       “(d) *BAR FROM DUAL ELIGIBILITY.—A person who*  
13 *serves in the Selected Reserve may not receive credit for such*  
14 *service under both the program established by chapter 30*  
15 *of this title and the program established by this subchapter*  
16 *but shall elect (in such form and manner as the Secretary*  
17 *of Veterans Affairs may prescribe) the program to which*  
18 *such service is to be credited. However, a person may not*  
19 *receive credit under the program established by this sub-*  
20 *chapter for service (in any grade) on full-time active duty*  
21 *or full-time National Guard duty for the purpose of orga-*  
22 *nizing, administering, recruiting, instructing, or training*  
23 *the reserve components in a position which is included in*  
24 *the end strength required to be authorized each year by sec-*  
25 *tion 115(a)(1)(B) of title 10.*

1 **“§ 3303. Time limitation for use of entitlement**

2       “(a) *TIME LIMITATION.*—*Except as provided in sub-*  
3 *section (b), the period during which a person entitled to*  
4 *educational assistance under this subchapter may use such*  
5 *person’s entitlement expires (1) at the end of the 14-year*  
6 *period beginning on the date on which such person becomes*  
7 *entitled to such assistance, or (2) on the date the person*  
8 *is separated from the Selected Reserve, whichever occurs*  
9 *first.*

10       “(b) *EXCEPTIONS.*—(1) *In the case of a person—*

11               “(A) *who is separated from the Selected Reserve*  
12 *because of a disability which was not the result of the*  
13 *individual’s own willful misconduct incurred on or*  
14 *after the date on which such person became entitled*  
15 *to educational assistance under this subchapter; or*

16               “(B) *who, on or after the date on which such*  
17 *person became entitled to educational assistance*  
18 *under this subchapter ceases to be a member of the Se-*  
19 *lected Reserve during the period beginning on October*  
20 *1, 1991, and ending on December 31, 2001, by reason*  
21 *of the inactivation of the person’s unit of assignment*  
22 *or by reason of involuntarily ceasing to be designated*  
23 *as a member of the Selected Reserve pursuant to sec-*  
24 *tion 10143(a) of title 10,*

1       *the period for using entitlement prescribed by sub-*  
2       *section (a) shall be determined without regard to*  
3       *clause (2) of such subsection.*

4       “(2) *The provisions of section 3031(f) of this title shall*  
5       *apply to the period of entitlement prescribed by subsection*  
6       *(a).*

7       “(3) *The provisions of section 3031(d) of this title shall*  
8       *apply to the period of entitlement prescribed by subsection*  
9       *(a) in the case of a disability incurred in or aggravated*  
10       *by service in the Selected Reserve.*

11       “(4) *In the case of a member of the Selected Reserve*  
12       *of the Ready Reserve who serves on active duty pursuant*  
13       *to an order to active duty issued under section 12301(a),*  
14       *12301(d), 12301(g), 12302, or 12304 of title 10—*

15               “(A) *the period of such active duty service plus*  
16       *four months shall not be considered in determining*  
17       *the expiration date applicable to such member under*  
18       *subsection (a); and*

19               “(B) *the member may not be considered to have*  
20       *been separated from the Selected Reserve for the pur-*  
21       *poses of clause (2) of such subsection by reason of the*  
22       *commencement of such active duty service.*

23       **“§ 3304. Termination of assistance**

24       *“Educational assistance may not be provided under*  
25       *this subchapter—*

1           “(1) to a member receiving financial assistance  
2           under section 2107 of title 10 as a member of the Sen-  
3           ior Reserve Officers’ Training Corps program; or

4           “(2) to a member who fails to participate satis-  
5           factorily in required training as a member of the Se-  
6           lected Reserve.

7   **“§ 3305. Failure to participate satisfactorily; penalties**

8           “(a) *PENALTIES.*—At the option of the Secretary of the  
9           military department concerned, in consultation with the  
10          Secretary of Veterans Affairs, a member of the Selected Re-  
11          serve of an armed force who does not participate satisfac-  
12          torily in required training as a member of the Selected Re-  
13          serve during a term of enlistment or other period of obli-  
14          gated service that created entitlement of the member to edu-  
15          cational assistance under this subchapter, and during  
16          which the member has received such assistance, may—

17               “(1) be ordered to active duty for a period of two  
18               years or the period of obligated service the person has  
19               remaining under section 3302 of this title, whichever  
20               is less; or

21               “(2) be subject to repayment requirements pre-  
22               scribed by the Secretary of Veterans Affairs that are  
23               similar to the repayment provisions under section  
24               303a(e) of title 37.

1       “(b) *COLLECTION OF FUNDS.*—*The Secretary of Vet-*  
2 *erans Affairs shall collect any amount required to be repaid*  
3 *under subsection (a)(2).*

4       “(c) *EFFECT OF REPAYMENT.*—*Any repayment under*  
5 *subsection (a)(2) shall not affect the period of obligation of*  
6 *a member to serve as a Reserve in the Selected Reserve.*

7       **“§ 3306. Administration of program**

8       “(a) *PAYMENTS.*—(1) *Except as provided under para-*  
9 *graph (2), payments for educational assistance under this*  
10 *subchapter shall be made from funds appropriated or other-*  
11 *wise made available to the Department of Veterans Affairs*  
12 *for fiscal year 2009 or any subsequent fiscal year for the*  
13 *payment of readjustment benefits.*

14       “(2) *Payments for increases in rates of educational as-*  
15 *sistance under section 3301(i) shall be made from amounts*  
16 *in the Department of Defense Education Benefits Fund*  
17 *under section 2006 of title 10. Amounts for such payments*  
18 *shall be made available to the Secretary in accordance with*  
19 *the provisions of section 2006(d) of title 10.*

20       “(b) *PROGRAM MANAGEMENT.*—*Except as otherwise*  
21 *provided in this subchapter, the provisions of sections 3470,*  
22 *3471, 3474, 3476, 3482(g), 3483, and 3485 of this title and*  
23 *the provisions of subchapters I and II of chapter 36 of this*  
24 *title (with the exception of sections 3686(a) and 3687) shall*  
25 *be applicable to the provision of educational assistance*

1 *under this subchapter. The term ‘eligible veteran’ and the*  
2 *term ‘person’, as used in those provisions, shall be deemed*  
3 *for the purpose of the application of those provisions to this*  
4 *subchapter to refer to a person eligible for educational as-*  
5 *sistance under this subchapter.*

6       “(c) *APPLICATION OF BENEFITS.—The Secretary of*  
7 *Veterans Affairs may not make a distinction in the applica-*  
8 *tion of educational assistance benefits under this subchapter*  
9 *on the basis of whether a person who is eligible for edu-*  
10 *cational assistance under this subchapter first became so*  
11 *eligible under former chapter 1606 of title 10, as in effect*  
12 *immediately on September 30, 2008.*

13 **“§ 3307. Biennial report to Congress**

14       “*The Secretary of Veterans Affairs, in coordination*  
15 *with the Secretary of Defense, shall submit to Congress a*  
16 *report not later than March 1 of each odd-numbered year*  
17 *concerning the operation of the educational assistance pro-*  
18 *gram established by this subchapter during the preceding*  
19 *two fiscal years. Each such report shall include the number*  
20 *of members of the Selected Reserve of the Ready Reserve of*  
21 *each armed force receiving, and the number entitled to re-*  
22 *ceive, educational assistance under this subchapter during*  
23 *those fiscal years. The Secretary may submit the report*  
24 *more frequently and adjust the period covered by the report*  
25 *accordingly.*

1 “SUBCHAPTER II—RESERVE COMPONENT MEM-  
2 BERS SUPPORTING CONTINGENCY OPER-  
3 ATIONS AND CERTAIN OTHER OPERATIONS

4 “§ 3321. **Purpose**

5 “The purpose of this subchapter is to provide edu-  
6 cational assistance to members of the reserve components  
7 called or ordered to active service in response to a war or  
8 national emergency declared by the President or Congress,  
9 in recognition of the sacrifices that those members make in  
10 answering the call to duty.

11 “§ 3322. **Educational assistance program**

12 “(a) PROGRAM ESTABLISHMENT.—The Secretary of  
13 Veterans Affairs, shall establish and maintain a program  
14 as prescribed in this subchapter to provide educational as-  
15 sistance to members of the Ready Reserve of the Armed  
16 Forces. The Secretary of each military department shall,  
17 under regulations prescribed by the Secretary of Defense,  
18 provide to individuals who meet the eligibility requirements  
19 under section 3323 of this title the opportunity to receive  
20 educational assistance under this subchapter.

21 “(b) AUTHORIZED EDUCATION PROGRAMS.—Edu-  
22 cational assistance may be provided under this subchapter  
23 for pursuit of any program of education that is an ap-  
24 proved program of education for purposes of chapter 30 of  
25 this title.

1           “(c) *BENEFIT AMOUNT.*—(1) *The educational assist-*  
2 *ance program established under subsection (a) shall provide*  
3 *for payment by the Secretary of Veterans Affairs of an edu-*  
4 *cational assistance allowance to each member entitled to*  
5 *educational assistance under this subchapter who is pur-*  
6 *suing a program of education authorized under subsection*  
7 *(b).*

8           “(2) *The educational assistance allowance provided*  
9 *under this subchapter shall be based on the applicable per-*  
10 *cent under paragraph (4) to the applicable rate provided*  
11 *under section 3015 of this title for a member whose entitle-*  
12 *ment is based on completion of an obligated period of active*  
13 *duty of three years.*

14           “(3) *The educational assistance allowance provided*  
15 *under this section for a person who is undertaking a pro-*  
16 *gram for which a reduced rate is specified in chapter 30*  
17 *of this title, that rate shall be further adjusted by the appli-*  
18 *cable percent specified in paragraph (4).*

19           “(4) *The adjusted educational assistance allowance*  
20 *under paragraph (2) or (3), as applicable, shall be—*

21                   “(A) *40 percent in the case of a member of a re-*  
22 *serve component who performed active service for 90*  
23 *consecutive days but less than one continuous year;*

24                   “(B) *60 percent in the case of a member of a re-*  
25 *serve component who performed active service for one*

1       *continuous year but less than two continuous years;*  
2       *or*

3               “(C) 80 percent in the case of a member of a re-  
4       *serve component who performed active service for two*  
5       *continuous years or more.*

6       “(d) *MAXIMUM MONTHS OF ASSISTANCE.*—(1) *Subject*  
7       *to section 3695 of this title, the maximum number of*  
8       *months of educational assistance that may be provided to*  
9       *any member under this subchapter is 36 (or the equivalent*  
10       *thereof in part-time educational assistance).*

11       “(2)(A) *Notwithstanding any other provision of this*  
12       *subchapter or chapter 36 of this title, any payment of an*  
13       *educational assistance allowance described in subparagraph*  
14       *(B) shall not—*

15               “(i) *be charged against the entitlement of any*  
16       *individual under this subchapter; or*

17               “(ii) *be counted toward the aggregate period for*  
18       *which section 3695 of this title limits an individual’s*  
19       *receipt of assistance.*

20       “(B) *The payment of the educational assistance allow-*  
21       *ance referred to in subparagraph (A) is the payment of such*  
22       *an allowance to the individual for pursuit of a course or*  
23       *courses under this subchapter if the Secretary of Veterans*  
24       *Affairs finds that the individual—*

1           “(i) had to discontinue such course pursuit as a  
2           result of being ordered to serve on active duty under  
3           section 12301(a), 12301(d), 12301(g), 12302, or  
4           12304 of title 10; and

5           “(ii) failed to receive credit or training time to-  
6           ward completion of the individual’s approved edu-  
7           cational, professional, or vocational objective as a re-  
8           sult of having to discontinue, as described in clause  
9           (i), the individual’s course pursuit.

10          “(C) The period for which, by reason of this subsection,  
11          an educational assistance allowance is not charged against  
12          entitlement or counted toward the applicable aggregate pe-  
13          riod under section 3695 of this title shall not exceed the  
14          portion of the period of enrollment in the course or courses  
15          for which the individual failed to receive credit or with re-  
16          spect to which the individual lost training time, as deter-  
17          mined under subparagraph (B)(ii).

18          “(e) AVAILABILITY OF ASSISTANCE FOR LICENSING  
19          AND CERTIFICATION TESTS.—The provisions of section  
20          3301(j) of this title shall apply to the provision of edu-  
21          cational assistance under this subchapter, except that, in  
22          applying such section under this subchapter, the reference  
23          to subsection (b) in paragraph (2) of such section is deemed  
24          to be a reference to subsection (c) of this section.

1       “(f) *FLIGHT TRAINING.*—*The Secretary of Veterans Af-*  
2 *fairs may approve the pursuit of flight training (in addi-*  
3 *tion to a course of flight training that may be approved*  
4 *under section 3680A(b) of this title) by an individual enti-*  
5 *tled to educational assistance under this subchapter if—*

6               “(1) *such training is generally accepted as nec-*  
7 *essary for the attainment of a recognized vocational*  
8 *objective in the field of aviation;*

9               “(2) *the individual possesses a valid private*  
10 *pilot certificate and meets, on the day the member be-*  
11 *gins a course of flight training, the medical require-*  
12 *ments necessary for a commercial pilot certificate;*  
13 *and*

14               “(3) *the flight school courses meet Federal Avia-*  
15 *tion Administration standards for such courses and*  
16 *are approved by the Federal Aviation Administration*  
17 *and the State approving agency.*

18 **“§ 3323. *Eligibility for educational assistance***

19       “(a) *ELIGIBILITY.*—*On or after September 11, 2001,*  
20 *a member of a reserve component is entitled to educational*  
21 *assistance under this subchapter if the member—*

22               “(1) *served on active duty in support of a con-*  
23 *tingency operation for 90 consecutive days or more;*  
24 *or*

1           “(2) *in the case of a member of the Army Na-*  
2           *tional Guard of the United States or Air National*  
3           *Guard of the United States, performed full time Na-*  
4           *tional Guard duty under section 502(f) of title 32 for*  
5           *90 consecutive days or more when authorized by the*  
6           *President or Secretary of Defense for the purpose of*  
7           *responding to a national emergency declared by the*  
8           *President and supported by Federal funds.*

9           “(b) *DISABLED MEMBERS.—Notwithstanding the eli-*  
10          *gibility requirements in subsection (a), a member who was*  
11          *ordered to active service as prescribed under subsection*  
12          *(a)(1) or (a)(2) but is released from duty before completing*  
13          *90 consecutive days because of an injury, illness or disease*  
14          *incurred or aggravated in the line of duty shall be entitled*  
15          *to educational assistance under this subchapter at the rate*  
16          *prescribed in section 3322(c)(4)(A) of this title.*

17          “(c) *WRITTEN NOTIFICATION.—(1) Each member who*  
18          *becomes entitled to educational assistance under subsection*  
19          *(a) shall be given a statement in writing prior to release*  
20          *from active service that summarizes the provisions of this*  
21          *subchapter and stating clearly and prominently the sub-*  
22          *stance of section 3325 of this title as such section may apply*  
23          *to the member.*

24          “(2) *At the request of the Secretary of Veterans Affairs,*  
25          *the Secretary of the military department concerned shall*

1 *transmit a notice of entitlement for each such member to*  
2 *that Secretary.*

3       “(d) *BAR FROM DUAL ELIGIBILITY.*—*A member who*  
4 *qualifies for educational assistance under this subchapter*  
5 *may not receive credit for such service under both the pro-*  
6 *gram established by chapter 30 of this title and the program*  
7 *established by this subchapter but shall make an irrevocable*  
8 *election (in such form and manner as the Secretary of Vet-*  
9 *erans Affairs may prescribe) as to the program to which*  
10 *such service is to be credited.*

11       “(e) *BAR FROM DUPLICATION OF EDUCATIONAL AS-*  
12 *SISTANCE ALLOWANCE.*—(1) *Except as provided in para-*  
13 *graph (2), an individual entitled to educational assistance*  
14 *under this subchapter who is also eligible for educational*  
15 *assistance under subchapter I of this chapter, chapter 30,*  
16 *31, 32, or 35 of this title, or under the Hostage Relief Act*  
17 *of 1980 (Public Law 96-449; 5 U.S.C. 5561 note) may not*  
18 *receive assistance under more than one such programs and*  
19 *shall elect (in such form and manner as the Secretary of*  
20 *Veterans Affairs may prescribe) under which program the*  
21 *member elects to receive educational assistance.*

22       “(2) *The restriction on duplication of educational as-*  
23 *sistance under paragraph (1) does not apply to the entitle-*  
24 *ment of educational assistance under section 3301(i) of this*  
25 *title.*

1 **“§ 3324. Time limit for use of entitlement**

2       “(a) *DURATION OF ENTITLEMENT.*—*Except as pro-*  
3 *vided in subsection (b), a member remains entitled to edu-*  
4 *cational assistance under this subchapter while serving—*

5               “(1) *in the Selected Reserve of the Ready Re-*  
6 *serve, in the case of a member called or ordered to ac-*  
7 *tive service while serving in the Selected Reserve; or*

8               “(2) *in the Ready Reserve, in the case of a mem-*  
9 *ber ordered to active duty while serving in the Ready*  
10 *Reserve (other than the Selected Reserve).*

11       “(b) *DURATION OF ENTITLEMENT FOR DISABLED*  
12 *MEMBERS.*—(1) *In the case of a person who is separated*  
13 *from the Ready Reserve because of a disability which was*  
14 *not the result of the individual’s own willful misconduct*  
15 *incurred on or after the date on which such person became*  
16 *entitled to educational assistance under this subchapter,*  
17 *such person’s entitlement to educational assistance expires*  
18 *at the end of the 10-year period beginning on the date on*  
19 *which such person became entitled to such assistance.*

20               “(2) *The provisions of subsections (d) and (f) of section*  
21 *3031 of this title shall apply to the period of entitlement*  
22 *prescribed by paragraph (1).*

23 **“§ 3325. Termination of assistance**

24       “(a) *IN GENERAL.*—*Except as provided in subsection*  
25 *(b), educational assistance may not be provided under this*

1 *subchapter, or if being provided under this subchapter, shall*  
2 *be terminated—*

3           “(1) *if the member is receiving financial assist-*  
4           *ance under section 2107 of title 10 as a member of*  
5           *the Senior Reserve Officers’ Training Corps program;*  
6           *or*

7           “(2) *when the member separates from the Ready*  
8           *Reserve, as provided for under section 3324(a)(1) or*  
9           *section 3324(a)(2), as applicable, of this title.*

10          “(b) *EXCEPTION.—Under regulations prescribed by the*  
11          *Secretary of Defense, educational assistance may be pro-*  
12          *vided under this subchapter to a member of the Selected*  
13          *Reserve of the Ready Reserve who incurs a break in service*  
14          *in the Selected Reserve of not more than 90 days if the*  
15          *member continues to serve in the Ready Reserve during and*  
16          *after such break in service.*

17          “**§ 3326. Administration of program**

18           “(a) *PAYMENTS.—Payments for educational assistance*  
19           *under this subchapter shall be made from funds appro-*  
20           *priated or otherwise made available to the Department of*  
21           *Veterans Affairs for fiscal year 2009 or any subsequent fis-*  
22           *cal year for the payment of readjustment benefits.*

23           “(b) *PROGRAM MANAGEMENT.—Except as otherwise*  
24           *provided in this subchapter, the provisions of sections 3470,*  
25           *3471, 3474, 3476, 3482(g), 3483, and 3485 of this title and*

1 *the provisions of subchapters I and II of chapter 36 of this*  
2 *title (with the exception of sections 3686(a) and 3687) shall*  
3 *be applicable to the provision of educational assistance*  
4 *under this subchapter. The term ‘eligible veteran’ and the*  
5 *term ‘person’, as used in those provisions, shall be deemed*  
6 *for the purpose of the application of those provisions to this*  
7 *subchapter to refer to a person eligible for educational as-*  
8 *sistance under this subchapter.*

9       “(c) *APPLICATION OF BENEFITS.—The Secretary of*  
10 *Veterans Affairs may not make a distinction in the applica-*  
11 *tion of educational assistance benefits under this subchapter*  
12 *on the basis of whether a person who is eligible for edu-*  
13 *cational assistance under this subchapter first became so*  
14 *eligible under former chapter 1607 of title 10, as in effect*  
15 *immediately on September 30, 2008.”.*

16       (b) *TRANSFER OF AMOUNTS FOR BENEFITS ACCRUED*  
17 *BEFORE OCTOBER 1, 2008.—*

18           (1) *FISCAL YEAR 2009.—By not later than Octo-*  
19 *ber 1, 2008, the Secretary of Defense shall transfer to*  
20 *the Secretary of Veterans Affairs from the funds in*  
21 *the Department of Defense Education Benefits Fund*  
22 *under section 2006 of title 10, United States Code,*  
23 *that are attributable to armed forces education liabil-*  
24 *ities under chapters 1606 and 1607 of such title*  
25 *(other than such liabilities under section 16131(i) of*

1        *such title) that accrue before such date, such funds as*  
2        *may be required by the Secretary of Veterans Affairs*  
3        *to make payments with respect to such liabilities dur-*  
4        *ing fiscal year 2009. Such amounts shall be deposited*  
5        *into the Readjustment Benefits Account of the Depart-*  
6        *ment of Veterans Affairs and shall be used only by the*  
7        *Secretary of Veterans Affairs to make payments of*  
8        *educational assistance under chapter 33 of title 38,*  
9        *United States Code, as added by subsection (a).*  
10       *Funds deposited in the Readjustment Benefits Ac-*  
11       *count under this paragraph may not be used to pay*  
12       *any benefit that is payable from the Readjustment*  
13       *Benefits Account other than a payment of educational*  
14       *assistance under chapter 33 of title 38, United States*  
15       *Code, as added by subsection (a).*

16            (2) *TREATMENT OF RECEIPTS.—Receipts that*  
17        *would otherwise be credited to the account established*  
18        *for the payment of benefits under the Department of*  
19        *Defense Education Benefits Fund under section 2006*  
20        *of title 10, United States Code, for the payment of*  
21        *benefits under the chapters 1606 and 1607 of such*  
22        *title (other than such benefits under section 16131(i)*  
23        *of such title), shall be credited to the Readjustment*  
24        *Benefits Account of the Department of Veterans Af-*  
25        *fairs and merged with funds deposited in that ac-*

1        *count under paragraph (1), to be available for the*  
2        *same purposes and subject to the same limitations as*  
3        *such funds.*

4            (3) *AGREEMENT FOR SUBSEQUENT FISCAL*  
5        *YEARS.—By not later than October 1, 2008, the Sec-*  
6        *retary of Defense and the Secretary of Veterans Af-*  
7        *airs shall enter into an agreement under which the*  
8        *Secretary of Defense shall transfer to the Secretary of*  
9        *Veterans Affairs all remaining funds in the Depart-*  
10       *ment of Defense Education Benefits Fund under sec-*  
11       *tion 2006 of title 10, United States Code, that are at-*  
12       *tributable to armed forces liabilities under the former*  
13       *chapters 1606 and 1607 of such title (other than such*  
14       *liabilities under section 16131(i) of such title) that*  
15       *accrue before such date. Such amounts shall be depos-*  
16       *ited into the education account of the Readjustment*  
17       *Benefits Account of the Department of Veterans Af-*  
18       *airs and shall be available to the Secretary of Vet-*  
19       *erans Affairs to make payments of educational assist-*  
20       *ance under chapter 33 of title 38, United States Code,*  
21       *as added by subsection (a).*

22            (4) *REPORT.—By not later than October 1,*  
23        *2008, the Secretary of Defense shall submit to the con-*  
24        *gressional defense committees, the Committee on Vet-*  
25        *erans Affairs of the Senate, and the Committee on*

1        *Veterans Affairs of the House of Representatives a de-*  
 2        *tailed report on the agreement between the Secretary*  
 3        *of Defense and the Secretary of Veterans Affairs and*  
 4        *the status of the transfer of funds described in para-*  
 5        *graph (2). Such report shall include the date on*  
 6        *which the Secretary of Defense has agreed to complete*  
 7        *such transfer.*

8        *(c) CLERICAL AMENDMENTS.—The tables of chapters*  
 9        *at the beginning of title 38, United States Code, and at*  
 10       *the beginning of part III of such title, are each amended*  
 11       *by inserting after the item relating to chapter 32 the fol-*  
 12       *lowing new item:*

**“33. Educational Assistance for Members of the Reserve  
 Components ..... 3301”.**

13       *(d) TECHNICAL AND CONFORMING AMENDMENTS.—*

14                *(1) CONFORMING AMENDMENTS ON BAR ON DUAL*  
 15        *ELIGIBILITY FOR BENEFITS.—*

16                        *(A) Section 3033 of title 38, United States*  
 17        *Code, is amended—*

18                                *(i) in subsection (a)(1), by striking*  
 19                        *“chapter 106 or 107 of title 10” and insert-*  
 20                        *ing “under subchapter I or subchapter II of*  
 21                        *chapter 33 of this title, under chapter 107*  
 22                        *of title 10”; and*

1                   (ii) in subsection (c), by striking  
2                   “chapter 106 of title 10” and inserting  
3                   “subchapter I of chapter 33 of this title”.

4                   (B) Section 3221(f) of such title is amended  
5                   by striking “chapter 106 of title 10” and insert-  
6                   ing “subchapter I of chapter 33 of this title”.

7                   (C) Section 3681 of such title is amended—

8                   (i) in subsection (a), by striking “34,  
9                   35, or 36 of this title or 106 or 107 of title  
10                  10,” and inserting “33, 34, 35, or 36 of this  
11                  title”; and

12                  (ii) in subsection (b)—

13                         (I) in paragraph (1), by inserting  
14                         before the period the following: “, and  
15                         subchapters I and II of chapter 33 of  
16                         this title”; and

17                         (II) in paragraph (2), by striking  
18                         “Chapters 106 and” and inserting  
19                         “Chapter”.

20                   (2) *CONFORMING AMENDMENTS RELATING TO DE-*  
21                   *PARTMENT OF DEFENSE EDUCATION BENEFITS*  
22                   *FUND.—*

23                         (A) *DEFINITION OF ARMED FORCES EDU-*  
24                         *CATION LIABILITIES.—Paragraph (1) of section*

1           2006(b) of title 10, United States Code, is  
2           amended to read as follows:

3           “(1) The term ‘armed forces education liabilities’  
4           means liabilities of the armed forces for benefits under  
5           chapter 30 and section 3301(i) of title 38 and for De-  
6           partment of Defense benefits under paragraphs (3)  
7           and (4) of section 510(e) of this title, including funds  
8           provided by the Secretary of Homeland Security for  
9           education liabilities for the Coast Guard when it is  
10          not operating as a service in the Department of the  
11          Navy.”.

12                       (B) DEFINITION OF NORMAL COST.—Para-  
13          graph (2) of such section is amended by striking  
14          subparagraph (C) and inserting the following  
15          new subparagraph:

16                      “(C) The present value of the future Depart-  
17          ment of Defense benefits payable from the Fund  
18          (including funds from the Department in which  
19          the Coast Guard is operating) for educational as-  
20          sistance under section 3301(i) of title 38 to per-  
21          sons who during such period become entitled to  
22          such assistance.”.

23                      (3) CROSS-REFERENCE AMENDMENTS.—

24                               (A) CHAPTER 106 OF TITLE 10, UNITED  
25          STATES CODE.—

1                   (i) Section 2131 of title 10, United  
2                   States Code, is amended to read as follows:

3   **“§2131. Reference to subchapter I of chapter 33 of**  
4                   **title 38**

5                   “Provisions of law related to educational assistance for  
6 members of the Selected Reserve under the Montgomery GI  
7 Bill program, as formerly set forth in this chapter and  
8 chapter 1606 of this title, are set forth in subchapter I of  
9 chapter 33 of title 38 (beginning with section 3301 of title  
10 38).”.

11                   (ii) The table of sections at the begin-  
12                   ning of chapter 106 of such title is amended  
13                   by striking the item relating to section 2131  
14                   and inserting the following new item:

“2131. Reference to subchapter I of chapter 33 of title 38.”.

15                   (B) CHAPTER 1606 OF TITLE 10, UNITED  
16                   STATES CODE.—Chapter 1606 of such title is  
17                   amended by striking all after the chapter head-  
18                   ing and inserting the following:

“Sec.

“16131. Reference to subchapter I of chapter 33 of title 38.

19   **“§16131. Reference to subchapter I of chapter 33 of**  
20                   **title 38**

21                   “Provisions of law related to educational assistance for  
22 members of the Selected Reserve under the Montgomery GI  
23 Bill program, as formerly set forth in this chapter, are set

1 *forth in subchapter I of chapter 33 of title 38 (beginning*  
2 *with section 3301 of that title).”.*

3 (C) *CHAPTER 1607 OF TITLE 10, UNITED*  
4 *STATES CODE.—Chapter 1607 of such title is*  
5 *amended by striking all after the chapter head-*  
6 *ing and inserting the following:*

*“Sec.*

*“16161. Reference to subchapter II of chapter 33 of title 38.*

7 ***“§ 16161. Reference to subchapter II of chapter 33 of***  
8 ***title 38***

9 *“Provisions of law related to educational assistance for*  
10 *members of the reserve components of the Armed Forces sup-*  
11 *porting contingency operations and certain other oper-*  
12 *ations, as formerly set forth in this chapter, are set forth*  
13 *in subchapter II of chapter 33 of title 38 (beginning with*  
14 *section 3321 of that title).”.*

15 (4) *ADDITIONAL CONFORMING AMENDMENTS.—*

16 (A) *TITLE 38, UNITED STATES CODE.—*

17 (i) *Section 3485 of title 38, United*  
18 *States Code, is amended—*

19 (I) *in subsection (a)(4)(E), by*  
20 *striking “chapter 1606 or 1607 of title*  
21 *10” and inserting “chapter 33 of this*  
22 *title”;*

23 (II) *in subsection (b), by striking*  
24 *“chapter 30, 31, 32, or 34 of this title*

1           or chapter 1606 or 1607 of title 10,”  
2           and inserting “chapter 30, 31, 32, 33,  
3           or 34 of this title”; and

4                   (III) in subsection (e)(1)—

5                           (aa) by striking “, chapter  
6                           30, 31, 32, 35, or 36 of this title,  
7                           or chapter 1606 or 1607 of title  
8                           10” and inserting “or chapter 30,  
9                           31, 32, 33, 35, or 36 of this title”;  
10                           and

11                           (bb) by striking “section  
12                           2135 of such title” and inserting  
13                           “section 3305 of this title”.

14           (ii) Section 3672(c) of such title is  
15           amended—

16                   (I) in paragraph (3)(A), by strik-  
17                   ing “chapters 30 and 35 of this title  
18                   and chapter 1606 of title 10” and in-  
19                   serting “chapters 30, 33, and 35 of this  
20                   title”; and

21                   (II) in paragraph (4), by striking  
22                   “chapter 30 or 35 of this title, or chap-  
23                   ter 1606 of title 10, as the case may  
24                   be” and inserting “chapter 30, 33, or  
25                   35 of this title”.

1                   (iii) Section 3674 of such title is  
2 amended—

3                   (I) in subsection (a)(1), by strik-  
4 ing “and chapter 106 of title 10”; and  
5                   (II) in subsection (c), by inserting  
6 “33,” after “32,”.

7                   (iv) Section 3680A(d)(1) of such title  
8 is amended—

9                   (I) by striking “or under chapter  
10 106 of title 10” the first place it ap-  
11 pears; and

12                   (II) by striking “or chapter 30,  
13 31, 32, or 35 of this title or under  
14 chapter 106 of title 10” and inserting  
15 “or chapter 30, 31, 32, 33, or 35 of  
16 this title”.

17                   (v) Section 3684A(a)(1) of such title is  
18 amended by striking “chapter 30 or 32 of  
19 this title or in chapter 106 of title 10” and  
20 inserting “chapter 30, 32, or 33 of this  
21 title”.

22                   (vi) Section 3688(b) of such title is  
23 amended by striking “, chapter 30, 32, or  
24 35 of this title, or chapter 106 of title 10”

1                   and inserting “or chapter 30, 32, 33, or 35  
2                   of this title”.

3                   (vii) Section 3689 of such title is  
4                   amended by inserting “33,” after “32,” each  
5                   place it appears.

6                   (viii) Section 3692 of such title is  
7                   amended—

8                   (I) in subsection (a), by striking  
9                   “or 35 of this title and chapter 1606 of  
10                  title 10” and inserting “33, or 35 of  
11                  this title”; and

12                  (II) in subsection (b), by striking  
13                  “, chapters 30, 32, and 35 of this title,  
14                  and chapter 1606 of title 10” and in-  
15                  serting “and chapters 30, 32, 33, and  
16                  35 of this title”.

17                  (ix) Section 3695(a) of such title is  
18                  amended—

19                  (I) by striking paragraph (4) and  
20                  inserting the following new paragraph  
21                  (4):

22                  “(4) Chapters 30, 32, 34, 35, and 36 of this title  
23                  and subchapters I and II of chapter 33 of this title.”;  
24                  and

1                   (II) in paragraph (5), by striking  
2                   “, 1606, 1607,”.

3                   (x) Section 3697(a) of such title is  
4                   amended by striking “chapter 30, 32, 34, or  
5                   35 of this title, or chapter 106 of title 10,”  
6                   and inserting “chapter 30, 32, 33, 34, or 35  
7                   of this title”.

8                   (xi) Section 3697A(b)(1) of such title is  
9                   amended by striking “or 32 of this title or  
10                  chapter 106” and inserting “32, or 33 of  
11                  this title or chapter”.

12                  (B) TITLE 10, UNITED STATES CODE.—Sec-  
13                  tion 510(h) of title 10, United States Code, is  
14                  amended—

15                  (i) in paragraph (1)—

16                         (I) in subparagraph (A), by strik-  
17                         ing “additional educational assistance  
18                         under chapter 1606 of this title or to  
19                         basic educational assistance under sub-  
20                         chapter II of chapter 30 of title 38”  
21                         and inserting “basic educational as-  
22                         sistance under subchapter II of chapter  
23                         30 of title 38 or educational assistance  
24                         under subchapter I of chapter 33 of  
25                         that title”; and

1 (II) in subparagraph (B)—

2 (aa) by striking “chapter  
3 1606 of this title or chapter 30 of  
4 title 38” and inserting “chapter  
5 30 or subchapter I of chapter 33  
6 of title 38”; and

7 (bb) by striking “either such  
8 chapter” each place it appears  
9 and inserting “either such provi-  
10 sions”; and

11 (ii) in paragraph (3)(A), by striking  
12 “educational assistance under chapter 1606  
13 of this title” and all that follows through  
14 “as the case may be” and inserting “basic  
15 educational assistance under chapter 30 of  
16 title 38 or educational assistance under sub-  
17 chapter I of chapter 33 of that title from an  
18 entitlement to such basic educational assist-  
19 ance under chapter 30 of that title or edu-  
20 cational assistance under subchapter I of  
21 chapter 33 of that title, as the case may be”.

22 (C) *ELEMENTARY AND SECONDARY EDU-*  
23 *CATION ACT OF 1965.*—Section 2304(g) of the *Ele-*  
24 *mentary and Secondary Education Act of 1965*  
25 *(20 U.S.C. 6674(g))* is amended by striking



1           (b) *SPECIFIED INSTITUTIONS.*—*The academic institu-*  
2 *tions covered by subsection (a) are the following:*

3                   (1) *The National Defense University.*

4                   (2) *The Army War College and the United States*  
5 *Army Command and General Staff College.*

6                   (3) *The College of Naval Warfare and the College*  
7 *of Naval Command and Staff.*

8                   (4) *The United States Naval Postgraduate*  
9 *School.*

10                  (5) *Air University and the United States Air*  
11 *Force Institute of Technology.*

12                  (6) *The Marine Corps University.*

13           (c) *REPORT.*—*Not later than April 1, 2008, the Sec-*  
14 *retary shall submit to the Committee on Armed Services*  
15 *of the Senate and the Committee on Armed Services of the*  
16 *House of Representatives a report on the evaluation. The*  
17 *report shall include the results of the evaluation and any*  
18 *recommendations for changes to policy or law that the Sec-*  
19 *retary considers appropriate.*

20 **SEC. 527. NAVY JUNIOR RESERVE OFFICERS' TRAINING**  
21 **CORPS UNIT FOR SOUTHOLD, MATTITUCK,**  
22 **AND GREENPORT HIGH SCHOOLS.**

23           *For purposes of meeting the requirements of section*  
24 *2031(b) of title 10, United States Code, the Secretary of*  
25 *the Navy may, and to the extent the schools request shall,*

1 *treat any two or more of the following schools (all in*  
2 *Southold, Suffolk County, New York) as a single institution:*

3 *(1) Southold High School.*

4 *(2) Mattituck High School.*

5 *(3) Greenport High School.*

6 ***Subtitle D—General Service***  
7 ***Authorities***

8 ***SEC. 531. AUTHORITY TO REDUCE REQUIRED SERVICE OB-***  
9 ***LIGATION FOR INITIAL APPOINTMENT OF***  
10 ***QUALIFIED HEALTH PROFESSIONALS AS OF-***  
11 ***FICERS IN CRITICAL SPECIALTIES.***

12 *Section 651 of title 10, United States Code, is amended*  
13 *by adding at the end the following new subsection:*

14 *“(c) For the armed forces under the jurisdiction of the*  
15 *Secretary of Defense, the Secretary may reduce the total ini-*  
16 *tial period of required service to less than the minimum*  
17 *otherwise established pursuant to subsection (a) in the case*  
18 *of the initial appointment of a commissioned officer in a*  
19 *critically short health professional specialty, as determined*  
20 *by the Secretary. The period of required service may not*  
21 *be reduced to less than two years.”.*

22 ***SEC. 532. REENLISTMENT IN FORMER ENLISTED GRADE***  
23 ***AFTER SERVICE AS AN OFFICER.***

24 *(a) REGULAR ARMY.—Section 3258 of title 10, United*  
25 *States Code, is amended—*

1           (1) *in subsection (a)*—

2                   (A) *by striking “a Reserve officer” and in-*  
3                   *serting “an officer”; and*

4                   (B) *by striking “a temporary appointment”*  
5                   *and inserting “an appointment”; and*

6           (2) *in subsection (b)*—

7                   (A) *in paragraph (1), by striking “a Re-*  
8                   *serve officer” and inserting “an officer”; and*

9                   (B) *in paragraph (2), by striking “Re-*  
10                   *serve”.*

11           (b) *REGULAR AIR FORCE.*—*Section 8258 of such title*  
12 *is amended*—

13           (1) *in subsection (a)*—

14                   (A) *by striking “a reserve officer” and in-*  
15                   *serting “an officer”; and*

16                   (B) *by striking “a temporary appointment”*  
17                   *and inserting “an appointment”; and*

18           (2) *in subsection (b)*—

19                   (A) *in paragraph (1), by striking “a Re-*  
20                   *serve officer” and inserting “an officer”; and*

21                   (B) *in paragraph (2), by striking “Re-*  
22                   *serve”.*

1     ***Subtitle E—Military Justice and***  
2             ***Legal Assistance Matters***

3     ***SEC. 541. AUTHORITY TO DESIGNATE CERTAIN CIVILIAN***  
4             ***EMPLOYEES OF THE FEDERAL GOVERNMENT***  
5             ***AS ELIGIBLE FOR LEGAL ASSISTANCE FROM***  
6             ***DEPARTMENT OF DEFENSE LEGAL STAFF RE-***  
7             ***SOURCES.***

8         *Section 1044(a) of title 10, United States Code, is*  
9         *amended by adding at the end the following new paragraph:*

10             *“(6) Civilian employees of the Federal Govern-*  
11             *ment serving with, or preparing to serve with, an*  
12             *armed force in support of a contingency operation, as*  
13             *designated in regulations prescribed by the Secretary*  
14             *concerned.”.*

15             ***Subtitle F—Decorations and***  
16                     ***Awards***

17     ***SEC. 551. AUTHORIZATION AND REQUEST FOR AWARD OF***  
18             ***MEDAL OF HONOR TO LESLIE H. SABO, JR.,***  
19             ***FOR ACTS OF VALOR DURING THE VIETNAM***  
20             ***WAR.***

21         *(a) AUTHORIZATION.—Notwithstanding the time limi-*  
22         *tations specified in section 3744 of title 10, United States*  
23         *Code, or any other time limitation with respect to the*  
24         *awarding of certain medals to persons who served in the*  
25         *Armed Forces, the President is authorized and requested to*

1 *award the Medal of Honor under section 3741 of such title*  
2 *to Leslie H. Sabo, Jr., for the acts of valor during the Viet-*  
3 *nam War described in subsection (b).*

4 *(b) ACTS OF VALOR DESCRIBED.—The acts of valor*  
5 *referred to in subsection (a) are the actions of Leslie H.*  
6 *Sabo, Jr., on May 10, 1970, as a member of the United*  
7 *States Army serving in the grade of Specialist Four in the*  
8 *Republic of Vietnam with Company B of the 3d Battalion,*  
9 *506th Infantry Regiment, 101st Airborne Division.*

10 **SEC. 552. AUTHORIZATION AND REQUEST FOR AWARD OF**  
11 **MEDAL OF HONOR TO HENRY SVEHLA FOR**  
12 **ACTS OF VALOR DURING THE KOREAN WAR.**

13 *(a) AUTHORIZATION.—Notwithstanding the time limi-*  
14 *tations specified in section 3744 of title 10, United States*  
15 *Code, or any other time limitation with respect to the*  
16 *awarding of certain medals to persons who served in the*  
17 *Armed Forces, the President is authorized and requested to*  
18 *award the Medal of Honor under section 3741 of such title*  
19 *to Henry Svehla for the acts of valor described in subsection*  
20 *(b).*

21 *(b) ACTS OF VALOR DESCRIBED.—The acts of valor*  
22 *referred to in subsection (a) are the actions of Henry Svehla*  
23 *on June 12, 1952, as a member of the United States Army*  
24 *serving in the grade of Private First Class in Korea with*

1 *Company F of the 32d Infantry Regiment, 7th Infantry Di-*  
2 *vision.*

3 **SEC. 553. AUTHORIZATION AND REQUEST FOR AWARD OF**  
4 **MEDAL OF HONOR TO WOODROW W. KEEBLE**  
5 **FOR ACTS OF VALOR DURING THE KOREAN**  
6 **WAR.**

7 (a) *WAIVER OF TIME LIMITATIONS.*—*Notwithstanding*  
8 *the time limitations specified in section 3744 of title 10,*  
9 *United States Code, or any other time limitation with re-*  
10 *spect to the awarding of certain medals to persons who*  
11 *served in the Armed Forces, the President is authorized and*  
12 *requested to award the Medal of Honor under section 3741*  
13 *of such title to Woodrow W. Keeble for the acts of valor de-*  
14 *scribed in subsection (b).*

15 (b) *ACTS OF VALOR DESCRIBED.*—*The acts of valor*  
16 *referred to in subsection (a) are the actions of Woodrow W.*  
17 *Keeble of the United States Army as an acting platoon lead-*  
18 *er on October 20, 1950, during the Korean War.*

19 **SEC. 554. AUTHORIZATION AND REQUEST FOR AWARD OF**  
20 **MEDAL OF HONOR TO PRIVATE PHILIP G.**  
21 **SHADRACH FOR ACTS OF VALOR DURING THE**  
22 **CIVIL WAR.**

23 (a) *AUTHORIZATION.*—*Notwithstanding the time limi-*  
24 *tations specified in section 3744 of title 10, United States*  
25 *Code, or any other time limitation with respect to the*

1 *awarding of certain medals to persons who served in the*  
2 *Armed Forces, the President is authorized and requested to*  
3 *award the Medal of Honor under section 3741 of title 10,*  
4 *United States Code, posthumously to Private Philip G.*  
5 *Shadrach of Company K, 2nd Ohio Volunteer Infantry*  
6 *Regiment for the acts of valor described in subsection (b).*

7       **(b) ACTS OF VALOR DESCRIBED.**—*The acts of valor*  
8 *referred to in subsection (a) are the actions of Philip G.*  
9 *Shadrach as one of Andrews Raiders during the Civil War*  
10 *on April 12, 1862.*

11 **SEC. 555. AUTHORIZATION AND REQUEST FOR AWARD OF**  
12                   **MEDAL OF HONOR TO PRIVATE GEORGE D.**  
13                   **WILSON FOR ACTS OF VALOR AS ONE OF AN-**  
14                   **DREWS RAIDERS DURING THE CIVIL WAR.**

15       **(a) AUTHORIZATION.**—*The President is authorized*  
16 *and requested to award the Medal of Honor under section*  
17 *3741 of title 10, United States Code, posthumously to Pri-*  
18 *vate George D. Wilson of Company B, 2nd Ohio Volunteer*  
19 *Infantry Regiment for the acts of valor described in sub-*  
20 *section (b).*

21       **(b) ACTS OF VALOR DESCRIBED.**—*The acts of valor*  
22 *referred to in subsection (a) are the actions of George D.*  
23 *Wilson as one of Andrews Raiders during the Civil War*  
24 *on April 12, 1862.*

1 **SEC. 556. COLD WAR VICTORY MEDAL.**

2       (a) *AUTHORITY.*—Chapter 57 of title 10, United States  
3 Code, is amended by adding at the end the following new  
4 section:

5 **“§ 1135. Cold War Victory Medal**

6       “(a) *MEDAL AUTHORIZED.*—The Secretary concerned  
7 shall issue a service medal, to be known as the ‘Cold War  
8 Victory Medal’, to persons eligible to receive the medal  
9 under subsection (b). The Cold War Victory Medal shall be  
10 of an appropriate design approved by the Secretary of De-  
11 fense, with ribbons, lapel pins, and other appurtenances.

12       “(b) *ELIGIBLE PERSONS.*—The following persons are  
13 eligible to receive the Cold War Victory Medal:

14               “(1) A person who—

15                       “(A) performed active duty or inactive duty  
16 training as an enlisted member during the Cold  
17 War;

18                       “(B) completed the person’s initial term of  
19 enlistment or, if discharged before completion of  
20 such initial term of enlistment, was honorably  
21 discharged after completion of not less than 180  
22 days of service on active duty; and

23                       “(C) has not received a discharge less favor-  
24 able than an honorable discharge or a release  
25 from active duty with a characterization of serv-  
26 ice less favorable than honorable.

1           “(2) *A person who—*

2                   “(A) *performed active duty or inactive duty*  
3                   *training as a commissioned officer or warrant*  
4                   *officer during the Cold War;*

5                   “(B) *completed the person’s initial service*  
6                   *obligation as an officer or, if discharged or sepa-*  
7                   *rated before completion of such initial service ob-*  
8                   *ligation, was honorably discharged after comple-*  
9                   *tion of not less than 180 days of service on active*  
10                  *duty; and*

11                  “(C) *has not been released from active duty*  
12                  *with a characterization of service less favorable*  
13                  *than honorable and has not received a discharge*  
14                  *or separation less favorable than an honorable*  
15                  *discharge.*

16                  “(c) *ONE AWARD AUTHORIZED.—Not more than one*  
17                  *Cold War Victory Medal may be issued to any person.*

18                  “(d) *ISSUANCE TO REPRESENTATIVE OF DECEASED.—*  
19                  *If a person described in subsection (b) dies before being*  
20                  *issued the Cold War Victory Medal, the medal shall be*  
21                  *issued to the person’s representative, as designated by the*  
22                  *Secretary concerned.*

23                  “(e) *REPLACEMENT.—Under regulations prescribed by*  
24                  *the Secretary concerned, a Cold War Victory Medal that*  
25                  *is lost, destroyed, or rendered unfit for use without fault*

1 *or neglect on the part of the person to whom it was issued*  
2 *may be replaced without charge.*

3       “(f) *APPLICATION FOR MEDAL.*—*The Cold War Vic-*  
4 *tory Medal shall be issued upon receipt by the Secretary*  
5 *concerned of an application for such medal, submitted in*  
6 *accordance with such regulations as the Secretary pre-*  
7 *scribes.*

8       “(g) *UNIFORM REGULATIONS.*—*The Secretary of De-*  
9 *fense shall ensure that regulations prescribed by the Secre-*  
10 *taries of the military departments under this section are*  
11 *uniform so far as is practicable.*

12       “(h) *DEFINITION.*—*In this section, the term ‘Cold War’*  
13 *means the period beginning on September 2, 1945, and end-*  
14 *ing at the end of December 26, 1991.”.*

15       “(b) *CLERICAL AMENDMENT.*—*The table of sections at*  
16 *the beginning of such chapter is amended by adding at the*  
17 *end the following new item:*

“1135. *Cold War Victory Medal.*”.

1 ***Subtitle G—Impact Aid and Defense***  
2 ***Dependents Education System***

3 ***SEC. 561. TUITION ASSISTANCE FOR MILITARY DEPEND-***  
4 ***ENTS IN OVERSEAS AREAS WHERE SCHOOLS***  
5 ***OPERATED BY DEFENSE DEPENDENTS' EDU-***  
6 ***CATION SYSTEM ARE NOT REASONABLY***  
7 ***AVAILABLE.***

8 *Section 1407(b)(1) of the Defense Dependents' Edu-*  
9 *cation Act of 1978 (20 U.S.C. 926(b)(1)) is amended in the*  
10 *first sentence by inserting “, including private boarding*  
11 *schools in the United States,” after “attend schools”.*

12 ***SEC. 562. CONTINUATION OF AUTHORITY TO ASSIST LOCAL***  
13 ***EDUCATIONAL AGENCIES THAT BENEFIT DE-***  
14 ***PENDENTS OF MEMBERS OF THE ARMED***  
15 ***FORCES AND DEPARTMENT OF DEFENSE CI-***  
16 ***VILIAN EMPLOYEES.***

17 *(a) ASSISTANCE TO SCHOOLS WITH SIGNIFICANT*  
18 *NUMBERS OF MILITARY DEPENDENT STUDENTS.—Of the*  
19 *amount authorized to be appropriated pursuant to section*  
20 *301(5) for operation and maintenance for Defense-wide ac-*  
21 *tivities, \$50,000,000 shall be available only for the purpose*  
22 *of providing assistance to local educational agencies under*  
23 *subsection (a) of section 572 of the National Defense Author-*  
24 *ization Act for Fiscal Year 2006 (Public Law 109–163; 119*  
25 *Stat. 3271; 20 U.S.C. 7703b).*

1       **(b) ASSISTANCE TO SCHOOLS WITH ENROLLMENT**  
 2 **CHANGES DUE TO BASE CLOSURES, FORCE STRUCTURE**  
 3 **CHANGES, OR FORCE RELOCATIONS.**—*Of the amount au-*  
 4 *thorized to be appropriated pursuant to section 301(5) for*  
 5 *operation and maintenance for Defense-wide activities,*  
 6 *\$15,000,000 shall be available only for the purpose of pro-*  
 7 *viding assistance to local educational agencies under sub-*  
 8 *section (b) of such section 572.*

9       **(c) LOCAL EDUCATIONAL AGENCY DEFINED.**—*In this*  
 10 *section, the term “local educational agency” has the mean-*  
 11 *ing given that term in section 8013(9) of the Elementary*  
 12 *and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).*

### 13                   **Subtitle H—Other Matters**

14 **SEC. 571. EXTENSION OF AUTHORITY TO ACCEPT GIFTS, DE-**  
 15 **VICES, OR BEQUESTS TO BENEFIT MEMBERS**  
 16 **OF THE ARMED FORCES, DEPENDENTS, AND**  
 17 **CIVILIAN EMPLOYEES OF THE DEPARTMENT**  
 18 **OF DEFENSE.**

19       *Section 2601(b)(4) of title 10, United States Code, is*  
 20 *amended by striking “December 31, 2007” and inserting*  
 21 *“December 31, 2010”.*

22 **SEC. 572. UNIFORM PERFORMANCE POLICIES FOR MILI-**  
 23 **TARY BANDS AND OTHER MUSICAL UNITS.**

24       **(a) IN GENERAL.**—

1           (1) *CONSOLIDATION OF SEPARATE AUTHORI-*  
2           *TIES.—Chapter 49 of title 10, United States Code, is*  
3           *amended by inserting after section 973 the following*  
4           *new section:*

5           **“§974. Uniform performance policies for military**  
6                           **bands and other musical units**

7           “(a) *RESTRICTIONS ON COMPETITION AND REMU-*  
8           *NERATION.—Bands, ensembles, choruses, or similar musical*  
9           *units of the armed forces, including individual members of*  
10          *such a unit performing in an official capacity, may not—*

11                   “(1) *perform music in competition with local ci-*  
12            *vilian musicians; or*

13                   “(2) *receive remuneration for official perform-*  
14            *ances.*

15          “(b) *MEMBERS.—A member of a band, ensemble, cho-*  
16          *rus, or similar musical unit of the armed forces may per-*  
17          *form music in the member’s personal capacity, as an indi-*  
18          *vidual or part of a group, for remuneration or otherwise,*  
19          *if the member does not wear a military uniform for the*  
20          *performance, does not identify himself or herself as a mem-*  
21          *ber of the armed forces in connection with the performance,*  
22          *and complies with all applicable regulations and standards*  
23          *of conduct.*

24          “(c) *RECORDINGS.—Bands, ensembles, choruses, or*  
25          *similar musical units of the armed forces, when authorized*

1 *pursuant to Department of Defense regulations, may*  
2 *produce recordings for distribution to the public at a cost*  
3 *not to exceed production and distribution expenses. The pro-*  
4 *ceeds from such recordings shall be credited to the appro-*  
5 *priation used to cover production and distribution expenses.*

6 “(d) *COMPETITION DEFINED.*—(1) *In this section, the*  
7 *term ‘perform music in competition with local civilian mu-*  
8 *sicians’ includes performances—*

9 “(A) *that are more than incidental to events that*  
10 *are not supported solely by appropriated funds and*  
11 *are not free to the public; and*

12 “(B) *of background, dinner, dance, or other so-*  
13 *cial music at events, regardless of location, that are*  
14 *not supported solely by appropriated funds.*

15 “(2) *The term does not include performances—*

16 “(A) *at official Federal Government events that*  
17 *are supported solely by appropriated funds;*

18 “(B) *at concerts, parades, and other events that*  
19 *are patriotic events or celebrations of national holi-*  
20 *days and are free to the public; or*

21 “(C) *that are incidental, such as short perform-*  
22 *ances of military or patriotic music to open or close*  
23 *events, to events that are not supported solely by ap-*  
24 *propriated funds, in compliance with applicable rules*  
25 *and regulations.”.*

1           (2) *CLERICAL AMENDMENT.*—*The table of sec-*  
 2           *tions at the beginning of such chapter is amended by*  
 3           *inserting after the item relating to section 973 the fol-*  
 4           *lowing new item:*

“974. *Uniform performance policies for military bands and other musical units.*”.

5           (b) *REPEAL OF SEPARATE SERVICE AUTHORITIES.*—

6           (1) *REPEAL.*—*Sections 3634, 6223, and 8634 of*  
 7           *such title are repealed.*

8           (2) *TABLE OF SECTIONS.*—(A) *The table of sec-*  
 9           *tions at the beginning of chapter 349 of such title is*  
 10          *amended by striking the item relating to section 3634.*

11          (B) *The table of sections at the beginning of*  
 12          *chapter 565 of such title is amended by striking the*  
 13          *item relating to section 6223.*

14          (C) *The table of sections at the beginning of*  
 15          *chapter 849 of such title is amended by striking the*  
 16          *item relating to section 8634.*

17 **SEC. 573. REPEAL OF LIMITATION ON NUMBER OF ACAD-**  
 18                                   **EMIES OF DEPARTMENT OF DEFENSE**  
 19                                   **STARBASE PROGRAM IN A SINGLE STATE.**

20          *Section 2193b(c) of title 10, United States Code, is*  
 21          *amended by striking paragraph (3).*

22 **SEC. 574. COMBAT VETERANS MENTORING PROGRAM FOR**  
 23                                   **CURRENT MEMBERS OF THE ARMED FORCES.**

24          (a) *PROGRAM REQUIRED.*—*The Secretary of Defense,*  
 25          *in coordination with the Secretaries of the military depart-*

1 ments, shall institute a program to give veterans of the  
2 Armed Forces who have served in combat the opportunity  
3 to meet on a regular basis with, to inform, to exchange ideas  
4 with, and to mentor current members of the Armed Forces.

5 (b) *ELEMENTS OF PROGRAM.*—The program may  
6 build on existing programs within the military depart-  
7 ments, where they exist, and shall focus on providing mem-  
8 bers of the Armed Forces, particularly military personnel  
9 and leaders at the small unit level, varied perspectives on  
10 both the human and military aspects of war from those who  
11 have experienced it. In carrying out the program, the Sec-  
12 retary shall seek to provide opportunities for the combat vet-  
13 erans not only to meet with current members of the Armed  
14 Forces before and after their deployment to combat zones,  
15 but also during deployments.

16 **SEC. 575. RECOGNITION OF MEMBERS OF THE MONUMENTS,**  
17 **FINE ARTS, AND ARCHIVES PROGRAM OF THE**  
18 **CIVIL AFFAIRS AND MILITARY GOVERNMENT**  
19 **SECTIONS OF THE ARMED FORCES DURING**  
20 **AND FOLLOWING WORLD WAR II.**

21 Congress hereby—

22 (1) recognizes the men and women who served in  
23 the Monuments, Fine Arts, and Archives program  
24 (MFAA) under the Civil Affairs and Military Govern-  
25 ment Sections of the United States Armed Forces for

1 *their heroic role in the preservation, protection, and*  
2 *restitution of monuments, works of art, and other ar-*  
3 *tifacts of inestimable cultural importance in Europe*  
4 *and Asia during and following World War II;*

5 *(2) recognizes that without their dedication and*  
6 *service, many more of the world's artistic and historic*  
7 *treasures would have been destroyed or lost forever*  
8 *amidst the chaos and destruction of World War II;*

9 *(3) acknowledges that the detailed catalogues,*  
10 *documentation, inventories, and photographs devel-*  
11 *oped and compiled by MFAA personnel during and*  
12 *following World War II, have made, and continue to*  
13 *make, possible the restitution of stolen works of art to*  
14 *their rightful owners; and*

15 *(4) commends and extols the members of the*  
16 *MFAA for establishing a precedent for action to pro-*  
17 *tect cultural property in the event of armed conflict,*  
18 *and by their action setting a standard not just for*  
19 *one country, but for people of all nations to acknowl-*  
20 *edge and uphold.*

21 **SEC. 576. PROGRAM TO COMMEMORATE 50TH ANNIVERSARY**  
22 **OF THE VIETNAM WAR.**

23 *(a) COMMEMORATIVE PROGRAM.—The Secretary of*  
24 *Defense shall conduct a program to commemorate the 50th*  
25 *anniversary of the Vietnam War. In conducting the com-*

1 *memorative program, the Secretary shall coordinate, sup-*  
2 *port, and facilitate other programs and activities of the*  
3 *Federal Government, State and local governments, and*  
4 *other persons and organizations in commemoration of the*  
5 *Vietnam War.*

6 (b) *COMMENCEMENT AND DURATION OF PROGRAM.—*  
7 *The commemorative program shall commence not later than*  
8 *180 days after the date of the enactment of this Act and*  
9 *continue through December 31, 2025. The Secretary of De-*  
10 *fense shall determine the schedule of major events and pri-*  
11 *ority of efforts during that period in order to ensure*  
12 *achievement of the objectives specified in subsection (c).*

13 (c) *COMMEMORATIVE ACTIVITIES AND OBJECTIVES.—*  
14 *The commemorative program may include activities and*  
15 *ceremonies to achieve the following objectives:*

16 (1) *To thank and honor veterans of the Vietnam*  
17 *War, including personnel who were held as prisoners*  
18 *of war or listed as missing in action, for their service*  
19 *and sacrifice on behalf of the United States and to*  
20 *thank and honor the families of these veterans.*

21 (2) *To highlight the service of the Armed Forces*  
22 *during the Vietnam War and the contributions of*  
23 *Federal agencies and governmental and non-govern-*  
24 *mental organizations that served with, or in support*  
25 *of, the Armed Forces.*

1           (3) *To pay tribute to the contributions made on*  
2 *the home front by the people of the United States dur-*  
3 *ing the Vietnam War.*

4           (4) *To highlight the advances in technology,*  
5 *science, and medicine related to military research*  
6 *conducted during the Vietnam War.*

7           (5) *To recognize the contributions and sacrifices*  
8 *made by the allies of the United States during the*  
9 *Vietnam War.*

10       (d) *NAMES AND SYMBOLS.—The Secretary of Defense*  
11 *shall have the sole and exclusive right to use the name “The*  
12 *United States of America Vietnam War Commemoration”,*  
13 *and such seal, emblems, and badges incorporating such*  
14 *name as the Secretary may lawfully adopt. Nothing in this*  
15 *section may be construed to supersede rights that are estab-*  
16 *lished or vested before the date of the enactment of this Act.*

17       (e) *COMMEMORATIVE FUND.—*

18           (1) *ESTABLISHMENT AND ADMINISTRATION.—*  
19 *There is established in the Treasury of the United*  
20 *States an account to be known as the “Department of*  
21 *Defense Vietnam War Commemoration Fund” (in*  
22 *this section referred to as the “Fund”). The Fund*  
23 *shall be administered by the Secretary of Defense.*

24           (2) *USE OF FUND.—The Secretary shall use the*  
25 *assets of the Fund only for the purpose of conducting*

1 *the commemorative program and shall prescribe such*  
2 *regulations regarding the use of the Fund as the Sec-*  
3 *retary considers to be necessary.*

4 (3) *DEPOSITS.—There shall be deposited into the*  
5 *Fund—*

6 (A) *amounts appropriated to the Fund;*

7 (B) *proceeds derived from the Secretary’s*  
8 *use of the exclusive rights described in subsection*  
9 *(d);*

10 (C) *donations made in support of the com-*  
11 *memorative program by private and corporate*  
12 *donors; and*

13 (D) *funds transferred to the Fund by the*  
14 *Secretary from funds appropriated for fiscal*  
15 *year 2008 and subsequent years for the Depart-*  
16 *ment of Defense.*

17 (4) *AVAILABILITY.—Subject to subsection (g)(2),*  
18 *amounts deposited under paragraph (3) shall con-*  
19 *stitute the assets of the Fund and remain available*  
20 *until expended.*

21 (5) *BUDGET REQUEST.—Beginning with the*  
22 *budget justification materials submitted by the Sec-*  
23 *retary in support of the budget of the President for*  
24 *fiscal year 2009, the Secretary shall establish a sepa-*  
25 *rate budget line for the commemorative program. In*

1 *the budget justification materials, the Secretary*  
2 *shall—*

3 *(A) identify and explain the amounts ex-*  
4 *pended for the commemorative program in the*  
5 *year preceding the budget request;*

6 *(B) identify and explain the amounts being*  
7 *requested to support the commemorative program*  
8 *for the fiscal year of the budget request and two*  
9 *subsequent years; and*

10 *(C) present a summary of the fiscal status*  
11 *of the Fund.*

12 *(f) ACCEPTANCE OF VOLUNTARY SERVICES.—*

13 *(1) AUTHORITY TO ACCEPT SERVICES.—Notwith-*  
14 *standing section 1342 of title 31, United States Code,*  
15 *the Secretary of Defense may accept from any person*  
16 *voluntary services to be provided in furtherance of the*  
17 *commemorative program.*

18 *(2) TREATMENT OF VOLUNTEERS.—A person*  
19 *providing voluntary services under this subsection*  
20 *shall be considered to be a Federal employee for pur-*  
21 *poses of chapter 81 of title 5, United States Code, re-*  
22 *lating to compensation for work-related injuries. The*  
23 *person shall also be considered a special governmental*  
24 *employee for purposes of standards of conduct and*  
25 *sections 202, 203, 205, 207, 208, and 209 of title 18,*

1 *United States Code. A person who is not otherwise*  
2 *employed by the Federal Government shall not be con-*  
3 *sidered to be a Federal employee for any other pur-*  
4 *pose by reason of the provision of voluntary services*  
5 *under this subsection.*

6 (3) *REIMBURSEMENT OF INCIDENTAL EX-*  
7 *PENSES.—The Secretary may provide for reimburse-*  
8 *ment of incidental expenses incurred by a person pro-*  
9 *viding voluntary services under this subsection. The*  
10 *Secretary shall determine which expenses are eligible*  
11 *for reimbursement under this paragraph.*

12 (g) *FINAL REPORT.—*

13 (1) *REPORT REQUIRED.—Not later than 60 days*  
14 *after the end of the commemorative period specified in*  
15 *subsection (b), the Secretary of Defense shall submit*  
16 *to Congress a report containing an accounting of—*

17 (A) *all of the funds deposited into and ex-*  
18 *pended from the Fund;*

19 (B) *any other funds expended under this*  
20 *section; and*

21 (C) *any unobligated funds remaining in the*  
22 *Fund.*

23 (2) *TREATMENT OF UNOBLIGATED FUNDS.—Un-*  
24 *obligated amounts remaining in the Fund as of the*  
25 *end of the commemorative period specified in sub-*

1        *section (b) shall be held in the Fund until transferred*  
 2        *by law.*

3        *(h) LIMITATION ON EXPENDITURES.—Total expendi-*  
 4        *tures from the Fund, using amounts appropriated to the*  
 5        *Department of Defense, may not exceed \$5,000,000 for fiscal*  
 6        *year 2008 or for any subsequent fiscal year to carry out*  
 7        *the commemorative program.*

8        *(i) AUTHORIZATION OF APPROPRIATIONS.—There is*  
 9        *authorized to be appropriated \$3,000,000 to the Fund for*  
 10       *fiscal year 2008.*

11       **TITLE VI—COMPENSATION AND**  
 12       **OTHER PERSONNEL BENEFITS**

*Subtitle A—Pay and Allowances*

*Sec. 601. Fiscal year 2008 increase in military basic pay.*

*Sec. 602. Basic allowance for housing for reserve component members without de-*  
*pendents who attend accession training while maintaining a*  
*primary residence.*

*Sec. 603. Income replacement payments for reserve component members experi-*  
*encing extended and frequent mobilization for active duty serv-*  
*ice.*

*Sec. 604. Participation of members of the uniformed services in Thrift Savings*  
*Plan.*

*Sec. 605. Enhancement of referral bonus to encourage service in the Army.*

*Sec. 606. Guaranteed pay increase for members of the Armed Forces of one-half*  
*of one percentage point higher than Employment Cost Index.*

*Subtitle B—Bonuses and Special and Incentive Pays*

*Sec. 611. Extension of certain bonus and special pay authorities for reserve*  
*forces.*

*Sec. 612. Extension of certain bonus and special pay authorities for health care*  
*professionals.*

*Sec. 613. Extension of special pay and bonus authorities for nuclear officers.*

*Sec. 614. Extension of authorities relating to payment of other bonuses and spe-*  
*cial pays.*

*Sec. 615. Increase in incentive special pay and multiyear retention bonus for*  
*medical officers.*

*Sec. 616. Increase in dental officer additional special pay.*

*Sec. 617. Definition of sea duty for career sea pay to include multi-crew ships.*

*Sec. 618. Reenlistment bonus for members of the Selected Reserve.*

- Sec. 619. Availability of Selected Reserve accession bonus for persons who previously served in the Armed Forces for a short period.*
- Sec. 620. Availability of nuclear officer continuation pay for officers with more than 26 years of commissioned service.*
- Sec. 621. Waiver of years-of-service limitation on receipt of critical skills retention bonus.*
- Sec. 622. Accession bonus for participants in the Armed Forces Health Professional Scholarship and Financial Assistance Program.*
- Sec. 623. Payment of assignment incentive pay for Reserve members serving in combat zone for more than 22 months.*
- Sec. 624. Increase in maximum monthly rate of hardship duty pay.*

*Subtitle C—Travel and Transportation Allowances*

- Sec. 631. Allowance for participation in Reserve screening conducted through electronic means.*
- Sec. 632. Allowance for civilian clothing for members of the Armed Forces traveling in connection with medical evacuation.*
- Sec. 633. Moving expenses for JROTC instructors who agree to serve in hard-to-fill positions.*
- Sec. 634. Transportation of additional motor vehicle of members on change of permanent station to or from nonforeign areas outside the continental United States.*
- Sec. 635. Payment of inactive duty training travel costs for certain Selected Reserve members.*

*Subtitle D—Retired Pay and Survivor Benefits*

- Sec. 641. Disregarding periods of confinement of member in determining benefits for dependents who are victims of abuse by the member.*
- Sec. 642. Continuation of authority for members of the Armed Forces to designate a recipient for a portion of the death gratuity.*
- Sec. 643. Recoupment of annuity amounts previously paid, but subject to offset for dependency and indemnity compensation.*
- Sec. 644. Special survivor indemnity allowance for persons affected by required Survivor Benefit Plan annuity offset for dependency and indemnity compensation.*
- Sec. 645. Expansion of combat-related special compensation eligibility for chapter 61 military retirees with fewer than 20 years of creditable service.*

*Subtitle E—Commissary and Nonappropriated Fund Instrumentality Benefits*

- Sec. 651. Access to Defense Commissary and Exchange System by surviving spouse and dependents of certain disabled veterans.*
- Sec. 652. Authority to continue commissary and exchange benefits for certain involuntarily separated members of the Armed Forces.*
- Sec. 653. Authorization of installment deductions from pay of employees of executive branch instrumentalities to collect indebtedness to the United States.*

*Subtitle F—Consolidation of Special Pay, Incentive Pay, and Bonus Authorities*

- Sec. 661. Consolidation of special pay, incentive pay, and bonus authorities of the uniformed services.*
- Sec. 662. Transitional provisions.*

*Subtitle G—Other Matters*

*Sec. 671. Expansion of education loan repayment program for members of the Selected Reserve.*

*Sec. 672. Ensuring entry into United States after time abroad for permanent resident alien military spouses and children.*

*Sec. 673. Overseas naturalization for military spouses and children.*

1     ***Subtitle A—Pay and Allowances***

2     ***SEC. 601. FISCAL YEAR 2008 INCREASE IN MILITARY BASIC***

3                     ***PAY.***

4             ***(a) WAIVER OF SECTION 1009 ADJUSTMENT.***—*The ad-*  
5 *justment to become effective during fiscal year 2008 re-*  
6 *quired by section 1009 of title 37, United States Code, in*  
7 *the rates of monthly basic pay authorized members of the*  
8 *uniformed services shall not be made.*

9             ***(b) INCREASE IN BASIC PAY.***—*Effective on January*  
10 *1, 2008, the rates of monthly basic pay for members of the*  
11 *uniformed services are increased by 3.5 percent.*

12             ***(c) SOURCE OF FUNDS FOR PORTION OF FISCAL YEAR***  
13 ***2008 OBLIGATIONS.***—*During fiscal year 2008, the funds*  
14 *necessary to satisfy the obligations incurred by the Depart-*  
15 *ment of Defense to provide the increase under subsection*  
16 *(b) in the rates of monthly basic pay for members of the*  
17 *Army, Navy, Air Force, and Marine Corps in excess of 3*  
18 *percent shall be derived from amounts appropriated pursu-*  
19 *ant to the authorization of appropriations in section 1514*  
20 *for military personnel accounts of the Department.*

1 **SEC. 602. BASIC ALLOWANCE FOR HOUSING FOR RESERVE**  
2 **COMPONENT MEMBERS WITHOUT DEPEND-**  
3 **ENTS WHO ATTEND ACCESSION TRAINING**  
4 **WHILE MAINTAINING A PRIMARY RESIDENCE.**

5 (a) *AVAILABILITY OF ALLOWANCE.*—Section 403(g)(1)  
6 of title 37, United States Code, is amended—

7 (1) by inserting “to attend accession training,”  
8 after “active duty” the first place it appears; and

9 (2) by inserting a comma after “contingency op-  
10 eration” the first place it appears.

11 (b) *SOURCE OF FUNDS FOR PORTION OF FISCAL YEAR*  
12 *2008 OBLIGATIONS.*—During fiscal year 2008, the funds  
13 necessary to satisfy the obligations incurred by the Depart-  
14 ment of Defense as a result of the amendment made by sub-  
15 section (a)(1) to provide a basic allowance for housing for  
16 reserve component members without dependents who attend  
17 accession training while maintaining a primary residence  
18 shall be derived from amounts appropriated pursuant to  
19 the authorization of appropriations in section 1514 for  
20 military personnel accounts of the Department.

21 (c) *EFFECTIVE DATE.*—The amendments made by sub-  
22 section (a) shall apply with respect to months beginning  
23 on or after October 1, 2007.

1 **SEC. 603. INCOME REPLACEMENT PAYMENTS FOR RESERVE**  
2 **COMPONENT MEMBERS EXPERIENCING EX-**  
3 **TENDED AND FREQUENT MOBILIZATION FOR**  
4 **ACTIVE DUTY SERVICE.**

5 (a) *CLARIFICATION REGARDING WHEN PAYMENTS RE-*  
6 *QUIRED.*—Subsection (a) of section 910 of title 37, United  
7 States Code, is amended by inserting before the period at  
8 the end of the first sentence the following: “, when the total  
9 monthly military compensation of the member is less than  
10 the average monthly civilian income of the member”.

11 (b) *ELIGIBILITY.*—Subsection (b) of such section is  
12 amended to read as follows:

13 “(b) *ELIGIBILITY.*—(1) A member of a reserve compo-  
14 nent is entitled to a payment under this section for any  
15 full month of active duty of the member, when the total  
16 monthly military compensation of the member is less than  
17 the average monthly civilian income of the member, while  
18 the member is on active duty under an involuntary mobili-  
19 zation order, following the date on which the member—

20 “(A) completes 540 continuous days of service on  
21 active duty under an involuntary mobilization order;

22 “(B) completes 720 cumulative days on active  
23 duty under an involuntary mobilization order during  
24 the previous 1,800 days; or

25 “(C) is involuntarily mobilized for service on ac-  
26 tive duty for a period of 180 days or more within 180

1        *days after the date of the member's separation from*  
2        *a previous period of active duty for a period of 180*  
3        *days or more.*

4        *“(2) The entitlement of a member of a reserve compo-*  
5        *nent to a payment under this section also shall commence*  
6        *or, if previously commenced under paragraph (1), shall con-*  
7        *tinue if the member—*

8                *“(A) satisfies the required number of days on ac-*  
9                *tive duty specified in subparagraph (A) or (B) of*  
10              *paragraph (1) or was involuntarily mobilized as pro-*  
11              *vided in subparagraph (C) of such paragraph; and*

12              *“(B) is retained on active duty under subpara-*  
13              *graph (A) or (B) of section 12301(h)(1) of title 10 be-*  
14              *cause of an injury or illness incurred or aggravated*  
15              *while the member was assigned to duty in an area for*  
16              *which special pay under section 310 of this title is*  
17              *available.”.*

18        *(c) TERMINATION OF AUTHORITY.—Subsection (g) of*  
19        *such section is amended to read as follows:*

20              *“(g) TERMINATION.—No payment shall be made to a*  
21              *member under this section for months beginning after De-*  
22              *cember 31, 2008, unless the entitlement of the member to*  
23              *payments under this section commenced on or before that*  
24              *date.”.*

1 **SEC. 604. PARTICIPATION OF MEMBERS OF THE UNI-**  
2 **FORMED SERVICES IN THRIFT SAVINGS PLAN.**

3 (a) *SEMI-MONTHLY DEPOSIT OF MEMBER'S CON-*  
4 *TRIBUTIONS.*—Section 1014 of title 37, United States Code,  
5 is amended by adding at the end the following new sub-  
6 section:

7 “(c) Notwithstanding subsection (a), in the case of a  
8 member of the uniformed services who has elected to partici-  
9 pate in the Thrift Savings Plan under section 211 of this  
10 title, one-half of the monthly contribution of the member  
11 to the Plan shall be made in midmonth.”.

12 (b) *SEMI-MONTHLY REPAYMENT OF BORROWED*  
13 *AMOUNTS.*—Section 211 of such title is amended by adding  
14 at the end the following new subsection:

15 “(e) *REPAYMENT OF AMOUNTS BORROWED FROM*  
16 *MEMBER ACCOUNT.*—If a loan is issued to a member under  
17 section 8433(g) of title 5 from funds in the member's ac-  
18 count in the Thrift Savings Plan, repayment of the loan  
19 shall be required on the same semi-monthly basis as author-  
20 ized for contributions to the Fund under section 1014(c)  
21 of this title.”.

22 **SEC. 605. ENHANCEMENT OF REFERRAL BONUS TO EN-**  
23 **COURAGE SERVICE IN THE ARMY.**

24 (a) *INDIVIDUALS ELIGIBLE FOR BONUS.*—Section 645  
25 of the National Defense Authorization Act for Fiscal Year  
26 2006 (Public Law 109–163; 119 Stat. 3310) is amended—

1           (1) *in subsection (a)(1), by striking “enlists”*  
2           *and inserting “enlists, or is appointed as an officer*  
3           *to serve in a health profession designated by the Sec-*  
4           *retary,”; and*

5           (2) *in subsection (b), by inserting “or appoint-*  
6           *ment” after “enlisting” both places it appears.*

7           (b) *EFFECTIVE DATE.—The amendments made by this*  
8           *section shall apply with respect to bonuses payable under*  
9           *section 645 of the National Defense Authorization Act for*  
10           *Fiscal Year 2006 on or after the date of the enactment of*  
11           *this Act.*

12   **SEC. 606. GUARANTEED PAY INCREASE FOR MEMBERS OF**  
13                           **THE ARMED FORCES OF ONE-HALF OF ONE**  
14                           **PERCENTAGE POINT HIGHER THAN EMPLOY-**  
15                           **MENT COST INDEX.**

16           (a) *INCREASE.—Section 1009(c)(2) of title 37, United*  
17           *States Code, is amended “fiscal years 2004, 2005, and*  
18           *2006” and inserting “fiscal years 2009 through 2012”.*

19           (b) *APPLICABILITY.—The amendment made by sub-*  
20           *section (a) shall only apply with respect to the Army, Navy,*  
21           *Air Force and Marine Corps, including reserve components*  
22           *thereof.*

1     ***Subtitle B—Bonuses and Special***  
2                     ***and Incentive Pays***

3     ***SEC. 611. EXTENSION OF CERTAIN BONUS AND SPECIAL***  
4                     ***PAY AUTHORITIES FOR RESERVE FORCES.***

5             ***(a) SELECTED RESERVE REENLISTMENT BONUS.—***  
6     *Section 308b(g) of title 37, United States Code, is amended*  
7     *by striking “December 31, 2007” and inserting “December*  
8     *31, 2009”.*

9             ***(b) SELECTED RESERVE AFFILIATION OR ENLISTMENT***  
10     ***BONUS.—****Section 308c(i) of such title is amended by strik-*  
11     *ing “December 31, 2007” and inserting “December 31,*  
12     *2009”.*

13             ***(c) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED***  
14     ***TO CERTAIN HIGH PRIORITY UNITS.—****Section 308d(c) of*  
15     *such title is amended by striking “December 31, 2007” and*  
16     *inserting “December 31, 2009”.*

17             ***(d) READY RESERVE ENLISTMENT BONUS FOR PER-***  
18     ***SONS WITHOUT PRIOR SERVICE.—****Section 308g(f)(2) of*  
19     *such title is amended by striking “December 31, 2007” and*  
20     *inserting “December 31, 2009”.*

21             ***(e) READY RESERVE ENLISTMENT AND REENLIST-***  
22     ***MENT BONUS FOR PERSONS WITH PRIOR SERVICE.—****Sec-*  
23     *tion 308h(e) of such title is amended by striking “December*  
24     *31, 2007” and inserting “December 31, 2009”.*

1           (f) *SELECTED RESERVE ENLISTMENT BONUS FOR*  
2 *PERSONS WITH PRIOR SERVICE.*—Section 308i(f) of such  
3 title is amended by striking “December 31, 2007” and in-  
4 serting “December 31, 2009”.

5 **SEC. 612. EXTENSION OF CERTAIN BONUS AND SPECIAL**  
6 **PAY AUTHORITIES FOR HEALTH CARE PRO-**  
7 **FESSIONALS.**

8           (a) *NURSE OFFICER CANDIDATE ACCESSION PRO-*  
9 *GRAM.*—Section 2130a(a)(1) of title 10, United States Code,  
10 is amended by striking “December 31, 2007” and inserting  
11 “December 31, 2009”.

12           (b) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*  
13 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*  
14 *RESERVE.*—Section 16302(d) of such title is amended by  
15 striking “January 1, 2008” and inserting “January 1,  
16 2010”.

17           (c) *ACCESSION BONUS FOR REGISTERED NURSES.*—  
18 Section 302d(a)(1) of title 37, United States Code, is  
19 amended by striking “December 31, 2007” and inserting  
20 “December 31, 2009”.

21           (d) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*  
22 *THETISTS.*—Section 302e(a)(1) of such title is amended by  
23 striking “December 31, 2007” and inserting “December 31,  
24 2009”.

1           (e) *SPECIAL PAY FOR SELECTED RESERVE HEALTH*  
2 *PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIAL-*  
3 *TIES.*—Section 302g(e) of such title is amended by striking  
4 “December 31, 2007” and inserting “December 31, 2009”.

5           (f) *ACCESSION BONUS FOR DENTAL OFFICERS.*—Sec-  
6 *tion 302h(a)(1) of such title is amended by striking “De-*  
7 *cember 31, 2007” and inserting “December 31, 2009”.*

8           (g) *ACCESSION BONUS FOR PHARMACY OFFICERS.*—  
9 *Section 302j(a) of such title is amended by striking “De-*  
10 *cember 31, 2007” and inserting “December 31, 2009”.*

11          (h) *ACCESSION BONUS FOR MEDICAL OFFICERS IN*  
12 *CRITICALLY SHORT WARTIME SPECIALTIES.*—Section  
13 *302k(f) of such title is amended by striking “December 31,*  
14 *2007” and inserting “December 31, 2009”.*

15          (i) *ACCESSION BONUS FOR DENTAL SPECIALIST OFFI-*  
16 *CERS IN CRITICALLY SHORT WARTIME SPECIALTIES.*—Sec-  
17 *tion 302l(g) of such title is amended by striking “December*  
18 *31, 2007” and inserting “December 31, 2009”.*

19 **SEC. 613. EXTENSION OF SPECIAL PAY AND BONUS AU-**  
20 **THORITIES FOR NUCLEAR OFFICERS.**

21          (a) *SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS*  
22 *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(f)  
23 *of title 37, United States Code, is amended by striking “De-*  
24 *cember 31, 2007” and inserting “December 31, 2009”.*

1       (b) *NUCLEAR CAREER ACCESSION BONUS.*—Section  
2 *312b(c)* of such title is amended by striking “December 31,  
3 2007” and inserting “December 31, 2009”.

4       (c) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS.*—  
5 *Section 312c(d)* of such title is amended by striking “De-  
6 cember 31, 2007” and inserting “December 31, 2009”.

7 **SEC. 614. EXTENSION OF AUTHORITIES RELATING TO PAY-**  
8                   **MENT OF OTHER BONUSES AND SPECIAL**  
9                   **PAYS.**

10       (a) *AVIATION OFFICER RETENTION BONUS.*—Section  
11 *301b(a)* of title 37, United States Code, is amended by strik-  
12 ing “December 31, 2007” and inserting “December 31,  
13 2009”.

14       (b) *ASSIGNMENT INCENTIVE PAY.*—Section 307a(g) of  
15 such title is amended by striking “December 31, 2008” and  
16 inserting “December 31, 2009”.

17       (c) *REENLISTMENT BONUS FOR ACTIVE MEMBERS.*—  
18 *Section 308(g)* of such title is amended by striking “Decem-  
19 ber 31, 2007” and inserting “December 31, 2009”.

20       (d) *ENLISTMENT BONUS.*—Section 309(e) of such title  
21 is amended by striking “December 31, 2007” and inserting  
22 “December 31, 2009”.

23       (e) *RETENTION BONUS FOR MEMBERS WITH CRITICAL*  
24 *MILITARY SKILLS OR ASSIGNED TO HIGH PRIORITY*

1 UNITS.—Section 323(i) of such title is amended by striking  
2 “December 31, 2007” and inserting “December 31, 2009”.

3 (f) ACCESSION BONUS FOR NEW OFFICERS IN CRIT-  
4 ICAL SKILLS.—Section 324(g) of such title is amended by  
5 striking “December 31, 2007” and inserting “December 31,  
6 2009”.

7 (g) INCENTIVE BONUS FOR CONVERSION TO MILITARY  
8 OCCUPATIONAL SPECIALTY TO EASE PERSONNEL SHORT-  
9 AGE.—Section 326(g) of such title is amended by striking  
10 “December 31, 2007” and inserting “December 31, 2009”.

11 (h) INCENTIVE BONUS FOR TRANSFER BETWEEN THE  
12 ARMED FORCES.—Section 327(h) of such title is amended  
13 by striking “December 31, 2009” and inserting “December  
14 31, 2010”.

15 (i) ACCESSION BONUS FOR OFFICER CANDIDATES.—  
16 Section 330(f) of such title is amended by striking “Decem-  
17 ber 31, 2007” and inserting “December 31, 2009”.

18 (j) ARMY REFERRAL BONUS.—Subsection (h) of sec-  
19 tion 645 of the National Defense Authorization Act for Fis-  
20 cal Year 2006 (Public Law 109–163; 119 Stat. 3310), as  
21 redesignated by section 624(e) of the John Warner National  
22 Defense Authorization Act for Fiscal Year 2007 (Public  
23 Law 109–364; 120 Stat. 2258), is amended by striking “De-  
24 cember 31, 2007” and inserting “December 31, 2009”.

1 **SEC. 615. INCREASE IN INCENTIVE SPECIAL PAY AND**  
2 **MULTIYEAR RETENTION BONUS FOR MED-**  
3 **ICAL OFFICERS.**

4 (a) *INCENTIVE SPECIAL PAY.*—Section 302(b)(1) of  
5 title 37, United States Code, is amended by striking  
6 “\$50,000” and inserting “\$75,000”.

7 (b) *MULTIYEAR RETENTION BONUS.*—Section  
8 301d(a)(2) of such title is amended by striking “\$50,000”  
9 and inserting “\$75,000”.

10 **SEC. 616. INCREASE IN DENTAL OFFICER ADDITIONAL SPE-**  
11 **CIAL PAY.**

12 Section 302b(a)(4) of title 37, United States Code, is  
13 amended—

14 (1) by striking “shall be paid at the following  
15 rates” in the matter preceding subparagraph (A) and  
16 inserting “shall not exceed the following:”;

17 (2) in subparagraph (A), by striking “\$4,000”  
18 and inserting “\$10,000”; and

19 (3) in subparagraph (B), by striking “\$6,000”  
20 and inserting “\$12,000”.

21 **SEC. 617. DEFINITION OF SEA DUTY FOR CAREER SEA PAY**  
22 **TO INCLUDE MULTI-CREW SHIPS.**

23 Section 305a(e)(1)(A) of title 37, United States Code,  
24 is amended—

25 (1) by striking “or” at the end of clause (ii); and

1           (2) by adding at the end the following new  
2       *clause:*

3                   “(iv) while serving as an off-cycle crew-  
4                   member of a multi-crewed ship; or”.

5       **SEC. 618. REENLISTMENT BONUS FOR MEMBERS OF THE SE-**  
6                   **LECTED RESERVE.**

7           (a) *MINIMUM TERM OF REENLISTMENT OR ENLIST-*  
8       *MENT EXTENSION.*—Subsection (a)(2) of 308b of title 37,  
9       *United States Code, is amended by striking “his enlistment*  
10       *for a period of three years or for a period of six years”*  
11       *and inserting “an enlistment for a period of at least three*  
12       *years”.*

13           (b) *MAXIMUM BONUS AMOUNT.*—Subsection (b)(1) of  
14       *such section is amended by striking “may not exceed” and*  
15       *all that follows through the end of the paragraph and insert-*  
16       *ing “may not exceed \$15,000.”.*

17           (c) *CONFORMING AMENDMENT REGARDING ELIGI-*  
18       *BILITY REQUIREMENTS.*—Subsection (c) of such section is  
19       *amended—*

20                   (1) by striking the subsection heading and para-  
21       *graph (1) and inserting “WAIVER OF CONDITION ON*  
22       *ELIGIBILITY.—”; and*

23                   (2) by striking “paragraph (1)(B) or”.

1 **SEC. 619. AVAILABILITY OF SELECTED RESERVE ACCESSION**  
2 **BONUS FOR PERSONS WHO PREVIOUSLY**  
3 **SERVED IN THE ARMED FORCES FOR A**  
4 **SHORT PERIOD.**

5 *Section 308c(c)(1) of title 37, United States Code, is*  
6 *amended by inserting before the semicolon the following: “or*  
7 *has served in the armed forces, but was released from such*  
8 *service before completing the basic training requirements of*  
9 *the armed force of which the person was a member and the*  
10 *service was characterized as either honorable or*  
11 *uncharacterized”.*

12 **SEC. 620. AVAILABILITY OF NUCLEAR OFFICER CONTINU-**  
13 **ATION PAY FOR OFFICERS WITH MORE THAN**  
14 **26 YEARS OF COMMISSIONED SERVICE.**

15 *Section 312 of title 37, United States Code, is amend-*  
16 *ed—*

17 *(1) in subsection (a)(3), by striking “26 years”*  
18 *and inserting “30 years”; and*

19 *(2) in subsection (e)(1), by striking “26 years”*  
20 *and inserting “30 years”.*

21 **SEC. 621. WAIVER OF YEARS-OF-SERVICE LIMITATION ON**  
22 **RECEIPT OF CRITICAL SKILLS RETENTION**  
23 **BONUS.**

24 *Section 323(e) of title 37, United States Code, is*  
25 *amended by adding at the end the following new paragraph:*

1       “(4) *The Secretary of Defense, or the Secretary of*  
2 *Homeland Security with respect to the Coast Guard when*  
3 *it is not operating as a service in the Navy, may waive*  
4 *the limitations in paragraph (1) with respect to a member*  
5 *who, during the period of active duty or service in an active*  
6 *status in a reserve component for which the bonus is being*  
7 *offered, is assigned duties in a skill designated as critical*  
8 *under subsection (b)(1). The authority to grant a waiver*  
9 *under this paragraph may not be delegated below the Un-*  
10 *dersecretary of Defense for Personnel and Readiness or the*  
11 *Deputy Secretary of the Department of Homeland Secu-*  
12 *riety.”.*

13 **SEC. 622. ACCESSION BONUS FOR PARTICIPANTS IN THE**  
14                   **ARMED FORCES HEALTH PROFESSIONAL**  
15                   **SCHOLARSHIP AND FINANCIAL ASSISTANCE**  
16                   **PROGRAM.**

17       (a) *ACCESSION BONUS AUTHORIZED.*—*Subchapter I*  
18 *of chapter 105 of title 10, United States Code, is amended*  
19 *by adding at the end the following new section:*

20 **“§ 2128. Accession bonus for members of the program**

21       “(a) *AVAILABILITY OF BONUS.*—*The Secretary of De-*  
22 *fense may offer a person who enters into an agreement*  
23 *under section 2122(a)(2) of this title an accession bonus of*  
24 *not more than \$20,000 as part of the agreement.*

1       “(b) *REPAYMENT.*—A person who receives an accession  
2 bonus under this section, but fails to comply with the agree-  
3 ment under section 2122(a)(2) of this title or to commence  
4 or complete the active duty obligation imposed by section  
5 2123 of this title, shall be subject to the repayment provi-  
6 sions of section 303a(e) of title 37.”.

7       (b) *CLERICAL AMENDMENT.*—The table of sections at  
8 the beginning of such subchapter is amended by adding at  
9 the end the following new item:

“2128. Accession bonus for members of the program.”.

10 **SEC. 623. PAYMENT OF ASSIGNMENT INCENTIVE PAY FOR**  
11 **RESERVE MEMBERS SERVING IN COMBAT**  
12 **ZONE FOR MORE THAN 22 MONTHS.**

13       (a) *PAYMENT.*—The Secretary of a military depart-  
14 ment may pay assignment incentive pay under section  
15 307a of title 37, United States Code, to a member of a re-  
16 serve component under the jurisdiction of the Secretary for  
17 each month during the eligibility period of the member de-  
18 termined under subsection (b) during which the member  
19 served for any portion of the month in a combat zone associ-  
20 ated with Operating Enduring Freedom or Operation Iraqi  
21 Freedom in excess of 22 months of qualifying service.

22       (b) *ELIGIBILITY PERIOD.*—The eligibility period for a  
23 member extends from January 1, 2005, through the end of  
24 the active duty service of the member in a combat zone asso-  
25 ciated with Operating Enduring Freedom or Operation

1 *Iraqi Freedom if the service on active duty during the mem-*  
2 *ber's most recent period of mobilization to active duty began*  
3 *before January 19, 2007.*

4 (c) *AMOUNT OF PAYMENT.*—*The monthly rate of incen-*  
5 *tive pay payable to a member under this section is \$1,000.*

6 (d) *QUALIFYING SERVICE.*—*For purposes of this sec-*  
7 *tion, qualifying service includes cumulative mobilized serv-*  
8 *ice on active duty under sections 12301(d), 12302, and*  
9 *12304 of title 10, United States Code, during the period*  
10 *beginning on January 1, 2003, through the end of the mem-*  
11 *ber's active duty service during the member's most recent*  
12 *period of mobilization to active duty beginning before Janu-*  
13 *ary 19, 2007.*

14 **SEC. 624. INCREASE IN MAXIMUM MONTHLY RATE OF HARD-**  
15 **SHIP DUTY PAY.**

16 (a) *INCREASE.*—*Effective October 1, 2007, section*  
17 *305(a) of title 37, United States Code, is amended by strik-*  
18 *ing “\$750” and inserting “\$1,500”.*

19 (b) *FUNDING SOURCE.*—*Of the amounts authorized to*  
20 *be appropriated to the Department of Defense for military*  
21 *personnel accounts for fiscal year 2008, not more than*  
22 *\$79,000,000 shall be available to cover the additional costs*  
23 *incurred to implement the amendment made by subsection*  
24 *(a).*

1                   ***Subtitle C—Travel and***  
2                   ***Transportation Allowances***

3   ***SEC. 631. ALLOWANCE FOR PARTICIPATION IN RESERVE***  
4                   ***SCREENING CONDUCTED THROUGH ELEC-***  
5                   ***TRONIC MEANS.***

6           *(a) ALLOWANCE FOR ELECTRONIC RESERVE SCREEN-*  
7 *ING.—Section 433 of title 37, United States Code, is amend-*  
8 *ed—*

9                   *(1) in subsection (a), by inserting “ALLOWANCE*  
10 *FOR MUSTER DUTY.—(1)” before “Under”;*

11                   *(2) by redesignating subsection (b) as paragraph*  
12 *(2) of subsection (a), and in such paragraph, as so re-*  
13 *designated, by striking “this section” and inserting*  
14 *“paragraph (1)”;* and

15                   *(3) by inserting before subsection (c) the fol-*  
16 *lowing new subsection (b):*

17           *“(b) ALLOWANCE FOR ELECTRONIC SCREENING.—(1)*  
18 *Under uniform regulations prescribed by the Secretaries*  
19 *concerned, a member of the Individual Ready Reserve may*  
20 *be paid a stipend when the member participates, through*  
21 *electronic means, in the screening performed pursuant to*  
22 *section 10149 of title 10, in lieu of muster duty performed*  
23 *under section 12319 of such title.*

1       “(2) *The amount of the stipend paid to a member*  
2 *under paragraph (1) may not exceed \$50 in any calendar*  
3 *year.*”.

4       **(b) PAYMENT REQUIREMENTS.**—*Subsection (c) of such*  
5 *section is amended—*

6           (1) *by inserting “PAYMENT REQUIREMENTS.—”*  
7 *before the first sentence;*

8           (2) *by striking “allowance” each place it appears*  
9 *and inserting “allowances”;*

10          (3) *by inserting “or screening” after “muster*  
11 *duty” both places it appears; and*

12          (4) *by striking “serving, as commutation” and*  
13 *inserting “serving. The allowance under subsection*  
14 *(a) is provided as commutation”.*

15       **(c) PROHIBITIONS.**—*Such section is further amend-*  
16 *ed—*

17           (1) *in subsection (d)—*

18               (A) *by inserting “BAR TO INACTIVE DUTY*  
19 *COMPENSATION.—” before “A member”; and*

20               (B) *by inserting “or screening through elec-*  
21 *tronic means” after “muster duty”; and*

22          (2) *by adding at the end the following new sub-*  
23 *section:*

24           “(e) **BAR TO RETIREMENT CREDIT.**—*The participa-*  
25 *tion by a member in screening for which a stipend is paid*

1 *under subsection (b) shall not be credited in determining*  
2 *entitlement to, or in computing, retired pay under chapter*  
3 *1223 of title 10.”.*

4 *(d) CLERICAL AMENDMENTS.—*

5 *(1) SECTION HEADING.—The heading of such sec-*  
6 *tion is amended to read as follows:*

7 **“§433. Allowance for muster duty or for participation**  
8 ***in Reserve screening”.***

9 *(2) TABLE OF SECTIONS.—The table of sections*  
10 *at the beginning of chapter 7 of title 37, United*  
11 *States Code, is amended by striking the item relating*  
12 *to section 433 and inserting the following new item:*

*“433. Allowance for muster duty or for participation in Reserve screening.”.*

13 *(e) CONFORMING AMENDMENTS TO OTHER LAWS.—*

14 *(1) BAR TO DUAL COMPENSATION FOR INACTIVE-*  
15 *DUTY TRAINING.—Section 206 of such title is amend-*  
16 *ed by adding at the end the following new subsection:*

17 *“(f) A member of the National Guard or of a reserve*  
18 *component of a uniformed service may not be paid under*  
19 *this section if the member receives a stipend under section*  
20 *433(b) of this title for the same period.”.*

21 *(2) BAR TO RETIREMENT CREDIT.—Section*  
22 *12732(b) of title 10, United States Code, is amended*  
23 *by inserting after paragraph (7) the following new*  
24 *paragraph:*

1           “(8) *Participation, through electronic means, in*  
2           *the screening performed pursuant to section 10149 of*  
3           *this title, regardless of whether or not a stipend is*  
4           *paid under section 433(b) of title 37 for such partici-*  
5           *ipation.*”.

6   **SEC. 632. ALLOWANCE FOR CIVILIAN CLOTHING FOR MEM-**  
7                           **BERS OF THE ARMED FORCES TRAVELING IN**  
8                           **CONNECTION WITH MEDICAL EVACUATION.**

9           *Section 1047(a) of title 10, United States Code, is*  
10          *amended by inserting “and luggage” after “civilian cloth-*  
11          *ing” both places it appears.*

12   **SEC. 633. MOVING EXPENSES FOR JROTC INSTRUCTORS**  
13                           **WHO AGREE TO SERVE IN HARD-TO-FILL PO-**  
14                           **SITIONS.**

15          *Section 2031(d) of title 10, United States Code, is*  
16          *amended—*

17                   (1) *by redesignating paragraph (2) as para-*  
18                   *graph (3); and*

19                   (2) *by inserting after paragraph (1) the fol-*  
20                   *lowing new paragraph (2):*

21                   “(2)(A) *An individual so employed may, if the*  
22                   *institution concerned so agrees, be reimbursed by the*  
23                   *institution for the moving expenses incurred by the*  
24                   *individual to fill the position concerned, separate*  
25                   *from any other amount paid to the individual. Sub-*

1        *ject to subparagraph (B), the Secretary concerned*  
2        *may enter into an agreement with such an institution*  
3        *under which the Secretary reimburses the institution*  
4        *for the amount the institution reimburses the indi-*  
5        *vidual. Reimbursements by the Secretary concerned*  
6        *under this paragraph shall be made from funds ap-*  
7        *propriated for that purpose.*

8                *“(B) Such a reimbursement by the Secretary*  
9                *concerned may be made only if, as determined by the*  
10               *Secretary concerned—*

11                        *“(i) the position to be filled by the indi-*  
12                        *vidual is a hard-to-fill position, based on geo-*  
13                        *graphic or economic factors;*

14                        *“(ii) the individual has entered into a writ-*  
15                        *ten agreement with the institution to serve in*  
16                        *that position for at least two years; and*

17                        *“(iii) making the reimbursement is in the*  
18                        *national interest.”.*

1 **SEC. 634. TRANSPORTATION OF ADDITIONAL MOTOR VEHI-**  
2 **CLE OF MEMBERS ON CHANGE OF PERMA-**  
3 **NENT STATION TO OR FROM NONFOREIGN**  
4 **AREAS OUTSIDE THE CONTINENTAL UNITED**  
5 **STATES.**

6 *(a) AUTHORITY TO TRANSPORT ADDITIONAL MOTOR*  
7 *VEHICLE.—Subsection (a) of section 2634 of title 10,*  
8 *United States Code, is amended—*

9 *(1) by striking the sentence following paragraph*  
10 *(4);*

11 *(2) by redesignating paragraphs (1), (2), (3),*  
12 *and (4) as subparagraphs (A), (B), (C), and (D), re-*  
13 *spectively;*

14 *(3) by inserting “(1)” after “(a)”;* and

15 *(4) by adding at the end the following new para-*  
16 *graph:*

17 *“(2) One additional motor vehicle of a member (or a*  
18 *dependent of the member) may be transported as provided*  
19 *in paragraph (1) if—*

20 *“(A) the member is ordered to make a change of*  
21 *permanent station to or from a nonforeign area out-*  
22 *side the continental United States and the member*  
23 *has at least one dependent of driving age who will use*  
24 *the motor vehicle; or*

25 *“(B) the Secretary concerned determines that a*  
26 *replacement for the motor vehicle transported under*

1        *paragraph (1) is necessary for reasons beyond the*  
2        *control of the member and is in the interest of the*  
3        *United States and the Secretary approves the trans-*  
4        *portation in advance.”.*

5        *(b) TECHNICAL AND CONFORMING AMENDMENTS.—*

6        *Such subsection is further amended—*

7                *(1) by striking “his dependents” and inserting*  
8                *“a dependent of the member”;*

9                *(2) by striking “him” and inserting “the mem-*  
10              *ber”;*

11              *(3) by striking “his” and inserting “the mem-*  
12              *ber”;*

13              *(4) by striking “his new” and inserting “the*  
14              *member’s new”; and*

15              *(5) in paragraph (1)(C), as redesignated by sub-*  
16              *section (a), by striking “clauses (1) and (2)” and in-*  
17              *serting “subparagraphs (A) and (B)”.*

18        *(c) EFFECTIVE DATE.—Paragraph (2)(A) of sub-*  
19        *section (a) of section 2634 of title 10, United States Code,*  
20        *as added by subsection (a)(4), shall apply with respect to*  
21        *orders issued on or after the date of the enactment of this*  
22        *Act for members of the Armed Forces to make a change of*  
23        *permanent station to or from nonforeign areas outside the*  
24        *continental United States.*

1 **SEC. 635. PAYMENT OF INACTIVE DUTY TRAINING TRAVEL**  
2 **COSTS FOR CERTAIN SELECTED RESERVE**  
3 **MEMBERS.**

4 (a) *PAYMENT OF TRAVEL COSTS AUTHORIZED.*—  
5 Chapter 7 of title 37, United States Code, is amended by  
6 inserting after section 408 the following new section:

7 “§408a. **Travel and transportation allowances: inac-**  
8 **tive duty training or unit training assem-**  
9 **bly outside of commuting distance of duty**  
10 **station**

11 “(a) *ALLOWANCE AUTHORIZED.*—Under regulations  
12 prescribed by the Secretary concerned, if a member of the  
13 Selected Reserve who occupies a specialty designated by the  
14 Secretary for purposes of this section performs inactive duty  
15 training or attends a unit training assembly outside of the  
16 commuting limits of the member’s station for the purpose  
17 of maintaining mission readiness, the Secretary may reim-  
18 burse the member for travel expenses in an amount not to  
19 exceed \$300 for the training or assembly.

20 “(b) *DURATION OF AUTHORITY.*—Reimbursement may  
21 not be provided under this section for travel costs incurred  
22 before October 1, 2008, or after December 31, 2014.”.

23 (b) *CLERICAL AMENDMENT.*—The table of sections at  
24 the beginning of such chapter is amended by inserting after  
25 the item relating to section 408 the following new item:

“408a. *Travel and transportation allowances: inactive duty training or unit training assembly outside of commuting distance of duty station.*”.

1           ***Subtitle D—Retired Pay and***  
2                           ***Survivor Benefits***

3   ***SEC. 641. DISREGARDING PERIODS OF CONFINEMENT OF***  
4                           ***MEMBER IN DETERMINING BENEFITS FOR DE-***  
5                           ***PENDENTS WHO ARE VICTIMS OF ABUSE BY***  
6                           ***THE MEMBER.***

7           *Section 1408(h)(10) of title 10, United States Code, is*  
8 *amended by adding at the end the following new subpara-*  
9 *graph:*

10           “(C) *In determining under paragraph (2)(A) whether*  
11 *a member of the armed forces became eligible to be retired*  
12 *from the armed forces on the basis of years of service so*  
13 *that a spouse or dependent child of the member is eligible*  
14 *to receive payment under this subsection, the Secretary con-*  
15 *cerned shall consider as creditable service by the member*  
16 *any periods of confinement served by the member before con-*  
17 *vening authority action on the record of trial related to the*  
18 *misconduct that resulted in the termination of the eligi-*  
19 *bility of the member to receive retired pay.*”.

1 **SEC. 642. CONTINUATION OF AUTHORITY FOR MEMBERS OF**  
2 **THE ARMED FORCES TO DESIGNATE A RE-**  
3 **CIPIENT FOR A PORTION OF THE DEATH GRA-**  
4 **TUITY.**

5 *Effective as of October 1, 2007, subsection (d) of section*  
6 *1477 of title 10, United States Code, as amended by section*  
7 *1316 of the U.S. Troop Readiness, Veterans' Care, Katrina*  
8 *Recovery, and Iraq Accountability Appropriations Act,*  
9 *2007, is amended by striking "During the period beginning*  
10 *on the date of the enactment of this subsection and ending*  
11 *on September 30, 2007, a person" and inserting "A per-*  
12 *son".*

13 **SEC. 643. RECOUPMENT OF ANNUITY AMOUNTS PRE-**  
14 **VIOUSLY PAID, BUT SUBJECT TO OFFSET FOR**  
15 **DEPENDENCY AND INDEMNITY COMPENSA-**  
16 **TION.**

17 *(a) LIMITATION ON RECOUPMENT; NOTIFICATION RE-*  
18 *QUIREMENTS.—Section 1450(c) of title 10, United States*  
19 *Code, is amended by adding at the end the following new*  
20 *paragraph:*

21 *"(3) LIMITATION ON RECOUPMENT OF OFFSET*  
22 *AMOUNT.—Any amount subject to offset under this*  
23 *subsection that was previously paid to the surviving*  
24 *spouse or former spouse shall be recouped only to the*  
25 *extent that the amount paid exceeds any amount to*  
26 *be refunded under subsection (e). In notifying a sur-*

1 *viving spouse or former spouse of the recoupment re-*  
2 *quirement, the Secretary shall provide the spouse or*  
3 *former spouse—*

4 *“(A) a single notice of the net amount to be*  
5 *recouped or the net amount to be refunded, as*  
6 *applicable, under this subsection or subsection*  
7 *(e);*

8 *“(B) a written explanation of the statutory*  
9 *requirements for recoupment of the offset amount*  
10 *and for refund of any applicable amount de-*  
11 *ducted from retired pay;*

12 *“(C) a detailed accounting of how the offset*  
13 *amount being recouped and retired pay deduc-*  
14 *tion amount being refunded were calculated; and*

15 *“(D) contact information for a person who*  
16 *can provide information about the offset*  
17 *recoupment and retired pay deduction refund*  
18 *processes and answer questions the surviving*  
19 *spouse or former spouse may have about the re-*  
20 *quirements, processes, or amounts.”.*

21 *(b) APPLICATION.—Paragraph (3) of subsection (c) of*  
22 *section 1450 of title 10, United States Code, as added by*  
23 *subsection (a), shall apply with respect to the recoupment*  
24 *on or after April 1, 2008, of amounts subject to offset under*  
25 *such subsection.*

1 **SEC. 644. SPECIAL SURVIVOR INDEMNITY ALLOWANCE FOR**  
2 **PERSONS AFFECTED BY REQUIRED SURVIVOR**  
3 **BENEFIT PLAN ANNUITY OFFSET FOR DE-**  
4 **PENDENCY AND INDEMNITY COMPENSATION.**

5 (a) *PROVISION OF ALLOWANCE.*—Section 1450 of title  
6 10, United States Code, is amended by adding at the end  
7 the following new subsection:

8 “(m) *SPECIAL SURVIVOR INDEMNITY ALLOWANCE.*—

9 “(1) *PROVISION OF ALLOWANCE.*—The Secretary  
10 concerned shall pay a monthly special survivor in-  
11 demnity allowance under this subsection to the sur-  
12 viving spouse or former spouse of a member of the  
13 uniformed services to whom section 1448 of this title  
14 applies if—

15 “(A) the surviving spouse or former spouse  
16 is entitled to dependency and indemnity com-  
17 pensation under section 1311(a) of title 38; and

18 “(B) the eligibility of the surviving spouse  
19 or former spouse for an annuity under section  
20 1448 of this title is affected by subsection (c) of  
21 this section.

22 “(2) *AMOUNT OF PAYMENT.*—The amount of the  
23 allowance paid to an eligible survivor under para-  
24 graph (1) for a month shall be equal to the lesser of—

25 “(A) \$40; or



1 tled to retired pay who—” and all that follows through the  
2 end of paragraph (1) and inserting the following: “who—

3 “(1) is entitled to retired pay (other than by rea-  
4 son of section 12731b of this title); and”.

5 (b) COMPUTATION.—Subsection (b) of such section is  
6 amended—

7 (1) in paragraph (1), by striking “In the case  
8 of” and inserting “Subject to paragraph (4), in the  
9 case of”; and

10 (2) by adding at the end the following new para-  
11 graph:

12 “(4) CHAPTER 61 DISABILITY RETIREES WITH  
13 FEWER THAN 20 YEARS OF SERVICE.—In the case of  
14 an eligible combat-related disabled uniformed services  
15 retiree who is retired under chapter 61 of this title  
16 with at least 15 years of creditable service, but fewer  
17 than 20 years of creditable service, and who receives  
18 veterans disability compensation for a disability  
19 rated at least 60 percent, the amount of the payment  
20 under paragraph (1) for any month shall be reduced  
21 by the amount (if any) by which—

22 “(A) the amount of the member’s retired  
23 pay under chapter 61 of this title; exceeds

24 “(B) the amount equal to 2½ percent of the  
25 member’s years of creditable service multiplied

1           by the member's retired pay base under section  
2           1406(b)(1) or 1407 of this title, whichever is ap-  
3           plicable to the member.”.

4           (c) *EFFECTIVE DATE.*—The amendments made by this  
5           section shall take effect on October 1, 2008, and shall apply  
6           to payments for the month beginning on that date and sub-  
7           sequent months through the month ending on September 30,  
8           2015. Effective on October 1, 2015, the amendments made  
9           by this section shall terminate and subsection (c) of section  
10          1413a of title 10, United States Code, shall be amended to  
11          appear as it did on September 30, 2008.

12          ***Subtitle E—Commissary and Non-***  
13          ***appropriated Fund Instrumen-***  
14          ***tality Benefits***

15          ***SEC. 651. ACCESS TO DEFENSE COMMISSARY AND EX-***  
16          ***CHANGE SYSTEM BY SURVIVING SPOUSE AND***  
17          ***DEPENDENTS OF CERTAIN DISABLED VET-***  
18          ***ERANS.***

19          (a) *REVISION OF REGULATIONS AND INSTRUCTIONS.*—  
20          The Secretary of Defense shall revise the regulations and  
21          instructions described in subsection (b) as necessary to en-  
22          sure access to the Defense Commissary and Exchange Sys-  
23          tem by the surviving spouse and dependents of a veteran  
24          who had a service-connected disability rated at 100 percent  
25          (total), based on an application submitted by the veteran,

1 *although the disability rating was awarded posthumously.*  
 2 *Such access shall be provided in the same manner and to*  
 3 *the same extent as other surviving spouses and dependents*  
 4 *covered by such regulations and instructions.*

5 *(b) COVERED REGULATIONS AND INSTRUCTIONS.—The*  
 6 *regulations and instructions referred to in subsection (a)*  
 7 *are the following:*

8 *(1) Armed Services Commissary Regulations*  
 9 *(DoD Regulations 1330.17-R, April 1987).*

10 *(2) Armed Services Exchange Regulations (DoD*  
 11 *Instruction 1330.21, July, 14, 2005).*

12 *(3) The instruction pertaining to identification*  
 13 *cards (ID) cards for members of the uniformed serv-*  
 14 *ices, their dependents, and other eligible individuals*  
 15 *(DoD Instruction 1000.13, December 5, 1997).*

16 **SEC. 652. AUTHORITY TO CONTINUE COMMISSARY AND EX-**  
 17 **CHANGE BENEFITS FOR CERTAIN INVOLUN-**  
 18 **TARILY SEPARATED MEMBERS OF THE**  
 19 **ARMED FORCES.**

20 *(a) RESUMPTION FOR MEMBERS INVOLUNTARILY SEP-*  
 21 *ARATED FROM ACTIVE DUTY.—Section 1146 of title 10,*  
 22 *United States Code, is amended—*

23 *(1) by inserting “(a) MEMBERS INVOLUNTARILY*  
 24 *SEPARATED FROM ACTIVE DUTY.—” before “The Sec-*  
 25 *retary of Defense”;*

1           (2) *in the first sentence, by striking “October 1,*  
2           *1990, and ending on December 31, 2001” and insert-*  
3           *ing “October 1, 2007, and ending on December 31,*  
4           *2012”;* and

5           (3) *in the second sentence, by striking “the pe-*  
6           *riod beginning on October 1, 1994, and ending on De-*  
7           *cember 31, 2001” and inserting “the same period”.*

8           (b) *EXTENSION TO MEMBERS INVOLUNTARILY SEPA-*  
9           *RATED FROM SELECTED RESERVE.—Such section is fur-*  
10          *ther amended by adding at the end the following new sub-*  
11          *section:*

12          “(b) *MEMBERS INVOLUNTARILY SEPARATED FROM SE-*  
13          *LECTED RESERVE.—The Secretary of Defense shall pre-*  
14          *scribe regulations to allow a member of the Selected Reserve*  
15          *of the Ready Reserve who is involuntarily separated from*  
16          *the Selected Reserve as a result of the exercise of the force*  
17          *shaping authority of the Secretary concerned under section*  
18          *647 of this title or other force shaping authority during the*  
19          *period beginning on October 1, 2007, and ending on Decem-*  
20          *ber 31, 2012, to continue to use commissary and exchange*  
21          *stores during the two-year period beginning on the date of*  
22          *the involuntary separation of the member in the same man-*  
23          *ner as a member on active duty. The Secretary of Homeland*  
24          *Security shall implement this provision for Coast Guard*  
25          *members involuntarily separated during the same period.”.*

1 **SEC. 653. AUTHORIZATION OF INSTALLMENT DEDUCTIONS**  
 2 **FROM PAY OF EMPLOYEES OF EXECUTIVE**  
 3 **BRANCH INSTRUMENTALITIES TO COLLECT**  
 4 **INDEBTEDNESS TO THE UNITED STATES.**

5 (a) *COVERAGE OF EXECUTIVE BRANCH INSTRUMENTALITIES.*—Section 5514(a)(5)(B) of title 5, United States  
 6 Code, is amended by striking “judicial” and inserting “ex-  
 7 ecutive, judicial,”

9 (b) *EFFECTIVE DATE.*—The amendment made by sub-  
 10 section (a) shall take effect on the date of the enactment  
 11 of this Act and apply with respect to debt incurred before,  
 12 on, or after that date.

13 **Subtitle F—Consolidation of Spe-**  
 14 **cial Pay, Incentive Pay, and**  
 15 **Bonus Authorities**

16 **SEC. 661. CONSOLIDATION OF SPECIAL PAY, INCENTIVE**  
 17 **PAY, AND BONUS AUTHORITIES OF THE UNI-**  
 18 **FORMED SERVICES.**

19 (a) *CONSOLIDATION.*—Chapter 5 of title 37, United  
 20 States Code, is amended—

21 (1) by inserting before section 301 the following  
 22 subchapter heading:

23 “SUBCHAPTER I—EXISTING SPECIAL PAY,  
 24 INCENTIVE PAY, AND BONUS AUTHORITIES”; AND

25 (2) by adding at the end the following new sub-  
 26 chapters:

1 “SUBCHAPTER II—CONSOLIDATION OF SPECIAL  
2 PAY, INCENTIVE PAY, AND BONUS AUTHORITIES

3 “§ 331. **General bonus authority for enlisted members**

4 “(a) *AUTHORITY TO PROVIDE BONUS.*—*The Secretary*  
5 *concerned may pay a bonus under this section to a person,*  
6 *including a member of the armed forces, who—*

7 “(1) *enlists in an armed force;*

8 “(2) *enlists in or affiliates with a reserve compo-*  
9 *nent of an armed force;*

10 “(3) *reenlists, voluntarily extends an enlistment,*  
11 *or otherwise agrees to serve—*

12 “(A) *for a specified period in a designated*  
13 *career field, skill, or unit of an armed force; or*

14 “(B) *under other conditions of service in an*  
15 *armed force;*

16 “(4) *transfers from a regular component of an*  
17 *armed force to a reserve component of that same*  
18 *armed force or from a reserve component of an armed*  
19 *force to the regular component of that same armed*  
20 *force; or*

21 “(5) *transfers from a regular component or re-*  
22 *serve component of an armed force to a regular com-*  
23 *ponent or reserve component of another armed force,*  
24 *subject to the approval of the Secretary with jurisdic-*

1        *tion over the armed force to which the member is*  
2        *transferring.*

3        “(b) *SERVICE ELIGIBILITY.*—*A bonus authorized by*  
4        *subsection (a) may be paid to a person or member only*  
5        *if the person or member agrees under subsection (d)—*

6                “(1) *to serve for a specified period in a des-*  
7                *ignated career field, skill, unit, or grade; or*

8                “(2) *to meet some other condition of service im-*  
9                *posed by the Secretary concerned.*

10        “(c) *MAXIMUM AMOUNT AND METHOD OF PAYMENT.*—

11                “(1) *MAXIMUM AMOUNT.*—*The Secretary con-*  
12                *cerned shall determine the amount of a bonus to be*  
13                *paid under this section, except that—*

14                        “(A) *a bonus paid under paragraph (1) or*  
15                        *(2) of subsection (a) may not exceed \$50,000 for*  
16                        *a minimum two-year period of obligated service*  
17                        *agreed to under subsection (d); and*

18                        “(B) *a bonus paid under paragraph (3),*  
19                        *(4), or (5) of subsection (a) may not exceed*  
20                        *\$40,000 for a minimum one-year period of obli-*  
21                        *gated service agreed to under subsection (d).*

22                “(2) *LUMP SUM OR INSTALLMENTS.*—*A bonus*  
23                *under this section may be paid in a lump sum or in*  
24                *periodic installments, as determined by the Secretary*  
25                *concerned.*

1           “(3) *FIXING BONUS AMOUNT.*—Upon acceptance  
2           by the Secretary concerned of the written agreement  
3           required by subsection (d), the total amount of the  
4           bonus to be paid under the agreement shall be fixed.

5           “(d) *WRITTEN AGREEMENT.*—To receive a bonus  
6           under this section, a person or member determined to be  
7           eligible for the bonus shall enter into a written agreement  
8           with the Secretary concerned that specifies—

9           “(1) the amount of the bonus;

10           “(2) the method of payment of the bonus under  
11           subsection (c)(2);

12           “(3) the period of obligated service; and

13           “(4) the type or conditions of the service.

14           “(e) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
15           *ANCES.*—A bonus paid to a person or member under this  
16           section is in addition to any other pay and allowance to  
17           which a member is entitled.

18           “(f) *RELATIONSHIP TO PROHIBITION ON BOUNTIES.*—  
19           A bonus authorized under this section is not a bounty for  
20           purposes of section 514(a) of title 10.

21           “(g) *REPAYMENT.*—A person or member who receives  
22           a bonus under this section and who fails to complete the  
23           period of service, or meet the conditions of service, for which  
24           the bonus is paid, as specified in the written agreement

1 *under subsection (d), shall be subject to the repayment pro-*  
2 *visions of section 373 of this title.*

3 “(h) *REGULATIONS.—This section shall be adminis-*  
4 *tered under regulations prescribed by—*

5 “(1) *the Secretary of Defense, with respect to the*  
6 *armed forces under the jurisdiction of the Secretary*  
7 *of Defense; and*

8 “(2) *the Secretary of Homeland Security, with*  
9 *respect to the Coast Guard when it is not operating*  
10 *as a service in the Navy.*

11 **“§ 332. *General bonus authority for officers***

12 “(a) *AUTHORITY TO PROVIDE BONUS.—The Secretary*  
13 *concerned may pay a bonus under this section to a person,*  
14 *including an officer in the uniformed services, who—*

15 “(1) *accepts a commission or appointment as an*  
16 *officer in a uniformed service;*

17 “(2) *affiliates with a reserve component of a uni-*  
18 *formed service;*

19 “(3) *agrees to remain on active duty or to serve*  
20 *in an active status for a specific period as an officer*  
21 *in a uniformed service;*

22 “(4) *transfers from a regular component of a*  
23 *uniformed service to a reserve component of that same*  
24 *uniformed service or from a reserve component of a*

1 *uniformed service to the regular component of that*  
2 *same uniformed service; or*

3 *“(5) transfers from a regular component or re-*  
4 *serve component of a uniformed service to a regular*  
5 *component or reserve component of another uniformed*  
6 *service, subject to the approval of the Secretary with*  
7 *jurisdiction over the uniformed service to which the*  
8 *member is transferring.*

9 *“(b) SERVICE ELIGIBILITY.—A bonus authorized by*  
10 *subsection (a) may be paid to a person or officer only if*  
11 *the person or officer agrees under subsection (d)—*

12 *“(1) to serve for a specified period in a des-*  
13 *ignated career field, skill, unit, or grade; or*

14 *“(2) to meet some other condition of service im-*  
15 *posed by the Secretary concerned.*

16 *“(c) MAXIMUM AMOUNT AND METHOD OF PAYMENT.—*

17 *“(1) MAXIMUM AMOUNT.—The Secretary con-*  
18 *cerned shall determine the amount of a bonus to be*  
19 *paid under this section, except that—*

20 *“(A) a bonus paid under paragraph (1) or*  
21 *(2) of subsection (a) may not exceed \$60,000 for*  
22 *a minimum three-year period of obligated service*  
23 *agreed to under subsection (d); and*

24 *“(B) a bonus paid under paragraph (3),*  
25 *(4), or (5) of subsection (a) may not exceed*

1           \$50,000 for each year of obligated service agreed  
2           to under subsection (d).

3           “(2) *LUMP SUM OR INSTALLMENTS.*—A bonus  
4           under this section may be paid in a lump sum or in  
5           periodic installments, as determined by the Secretary  
6           concerned.

7           “(3) *FIXING BONUS AMOUNT.*—Upon acceptance  
8           by the Secretary concerned of the written agreement  
9           required by subsection (d), the total amount of the  
10          bonus to be paid under the agreement shall be fixed.

11          “(d) *WRITTEN AGREEMENT.*—To receive a bonus  
12          under this section, a person or officer determined to be eligi-  
13          ble for the bonus shall enter into a written agreement with  
14          the Secretary concerned that specifies—

15                  “(1) the amount of the bonus;

16                  “(2) the method of payment of the bonus under  
17          subsection (c)(2);

18                  “(3) the period of obligated service; and

19                  “(4) the type or conditions of the service.

20          “(e) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
21          *ANCES.*—The bonus paid to a person or officer under this  
22          section is in addition to any other pay and allowance to  
23          which an officer is entitled.

24          “(f) *REPAYMENT.*—A person or officer who receives a  
25          bonus under this section who fails to complete the period

1 of service, or meet the conditions of service, for which the  
2 bonus is paid, as specified in the written agreement under  
3 subsection (d), shall be subject to the repayment provisions  
4 of section 373 of this title.

5 “(g) *REGULATIONS.*—This section shall be adminis-  
6 tered under regulations prescribed by—

7 “(1) the Secretary of Defense, with respect to the  
8 armed forces under the jurisdiction of the Secretary  
9 of Defense;

10 “(2) the Secretary of Homeland Security, with  
11 respect to the Coast Guard when it is not operating  
12 as a service in the Navy;

13 “(3) the Secretary of Health and Human Serv-  
14 ices, with respect to the commissioned corps of the  
15 Public Health Service; and

16 “(4) the Secretary of Commerce, with respect to  
17 the National Oceanic and Atmospheric Administra-  
18 tion.

19 **“§333. Special bonus and incentive pay authorities**  
20 **for nuclear officers**

21 “(a) *NUCLEAR OFFICER BONUS.*—The Secretary of the  
22 Navy may pay a nuclear officer bonus under this section  
23 to a person, including an officer in the Navy, who—

24 “(1) is selected for the officer naval nuclear  
25 power training program in connection with the su-

1 *pervision, operation, and maintenance of naval nu-*  
2 *clear propulsion plants and agrees to serve, upon*  
3 *completion of such training, on active duty in connec-*  
4 *tion with the supervision, operation, and mainte-*  
5 *nance of naval nuclear propulsion plants; or*

6 *“(2) has the current technical and operational*  
7 *qualification for duty in connection with the super-*  
8 *vision, operation, and maintenance of naval nuclear*  
9 *propulsion plants and agrees to remain on active*  
10 *duty in connection with the supervision, operation,*  
11 *and maintenance of naval nuclear propulsion plants.*

12 *“(b) NUCLEAR OFFICER INCENTIVE PAY.—The Sec-*  
13 *retary of the Navy may pay nuclear officer incentive pay*  
14 *under this section to an officer in the Navy who—*

15 *“(1) is entitled to basic pay under section 204*  
16 *of this title; and*

17 *“(2) remains on active duty for a specified pe-*  
18 *riod while maintaining current technical and oper-*  
19 *ational qualifications, as approved by the Secretary,*  
20 *for duty in connection with the supervision, oper-*  
21 *ation, and maintenance of naval nuclear propulsion*  
22 *plants.*

23 *“(c) ADDITIONAL ELIGIBILITY CRITERIA.—The Sec-*  
24 *retary of the Navy may impose such additional criteria for*

1 *the receipt of a nuclear officer bonus or nuclear officer in-*  
2 *centive pay as the Secretary determines to be appropriate.*

3 “(d) *MAXIMUM AMOUNT AND METHOD OF PAYMENT.*—

4 “(1) *MAXIMUM AMOUNT.*—*The Secretary of the*  
5 *Navy shall determine the amounts of a nuclear officer*  
6 *bonus or incentive pay to be paid under this section,*  
7 *except that such payments may not exceed \$60,000 for*  
8 *each 12-month period of the agreement or 12-month*  
9 *period of qualifying service.*

10 “(2) *LUMP SUM OR INSTALLMENTS.*—*A nuclear*  
11 *officer bonus or incentive pay under this section may*  
12 *be paid in a lump sum or in periodic installments.*

13 “(e) *WRITTEN AGREEMENT FOR BONUS.*—

14 “(1) *AGREEMENT REQUIRED.*—*To receive a nu-*  
15 *clear officer bonus under this section, a person or offi-*  
16 *cer determined to be eligible for the bonus shall enter*  
17 *into a written agreement with the Secretary of the*  
18 *Navy that specifies—*

19 “(A) *the amount of the bonus;*

20 “(B) *the method of payment of the bonus*  
21 *under subsection (d)(2);*

22 “(C) *the period of obligated service; and*

23 “(D) *the type or conditions of the service.*

24 “(2) *REPLACEMENT AGREEMENT.*—*An officer*  
25 *who is performing obligated service under an agree-*

1        *ment for a nuclear officer bonus may execute a new*  
2        *agreement to replace the existing agreement, if the*  
3        *amount to be paid under the new agreement will be*  
4        *higher than the amount to be paid under the existing*  
5        *agreement. The period of the new agreement shall be*  
6        *equal to or exceed the remaining term of the period*  
7        *of the officer's existing agreement. If a new agreement*  
8        *is executed under this paragraph, the existing agree-*  
9        *ment shall be cancelled, effective on the day before an*  
10       *anniversary date of the existing agreement occurring*  
11       *after the date on which the amount to be paid under*  
12       *this paragraph is increased.*

13       “(f) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
14 *ANCES.—A nuclear officer bonus or incentive pay paid to*  
15 *a person or officer under this section is in addition to any*  
16 *other pay and allowance to which an officer is entitled, ex-*  
17 *cept that an officer may not receive a payment under this*  
18 *section and section 332 or 353 of this title for the same*  
19 *skill and period of service.*

20       “(g) *REPAYMENT.—The person or officer who receives*  
21 *a nuclear officer bonus or incentive pay under this section*  
22 *who fails to complete the officer naval nuclear power train-*  
23 *ing program, maintain required technical and operational*  
24 *qualifications, complete the period of service, or meet the*  
25 *types or conditions of service, for which the bonus or incen-*

1 *tive pay is paid, as specified in the written agreement*  
2 *under subsection (e) in the case of a bonus, shall be subject*  
3 *to the repayment provisions of section 373 of this title.*

4       “(h) *REGULATIONS.—This section shall be adminis-*  
5 *tered under regulations prescribed by the Secretary of the*  
6 *Navy.*

7 **“§334. *Special aviation incentive pay and bonus au-***  
8 ***thorities for officers***

9       “(a) *AVIATION INCENTIVE PAY.—The Secretary con-*  
10 *cerned may pay aviation incentive pay under this section*  
11 *to a regular or reserve component officer of a uniformed*  
12 *service who—*

13               “(1) *is entitled to basic pay under section 204*  
14 *of this title or compensation under section 206 of this*  
15 *title;*

16               “(2) *maintains, or is in training leading to, an*  
17 *aeronautical rating or designation that qualifies the*  
18 *officer to engage in operational flying duty or pro-*  
19 *ficiency flying duty;*

20               “(3) *engages in, or is in training leading to, fre-*  
21 *quent and regular performance of operational flying*  
22 *duty or proficiency flying duty;*

23               “(4) *engages in or remains in aviation service*  
24 *for a specified period; and*

1           “(5) meets such other criteria as the Secretary  
2           concerned determines appropriate.

3           “(b) *AVIATION BONUS.*—*The Secretary concerned may*  
4 *pay an aviation bonus under this section to a regular or*  
5 *reserve component officer of a uniformed service who—*

6           “(1) *is entitled to aviation incentive pay under*  
7 *subsection (a);*

8           “(2) *has completed any active duty service com-*  
9 *mitment incurred for undergraduate aviator training*  
10 *or is within one year of completing such commitment;*

11           “(3) *executes a written agreement to remain on*  
12 *active duty in a regular component or to serve in an*  
13 *active status in a reserve component in aviation serv-*  
14 *ice for at least one year; and*

15           “(4) *meets such other criteria as the Secretary*  
16 *concerned determines appropriate.*

17           “(c) *MAXIMUM AMOUNT AND METHOD OF PAYMENT.*—

18           “(1) *MAXIMUM AMOUNT.*—*The Secretary con-*  
19 *cerned shall determine the amounts of a bonus or in-*  
20 *centive pay to be paid under this section, except*  
21 *that—*

22           “(A) *aviation incentive pay shall be paid at*  
23 *a monthly rate, not to exceed \$850 per month;*  
24 *and*

1           “(B) an aviation bonus may not exceed  
2           \$25,000 for each 12-month period of obligated  
3           service agreed to under subsection (d).

4           “(2) *LUMP SUM OR INSTALLMENTS.*—A bonus  
5           under this section may be paid in a lump sum or in  
6           periodic installments, as determined by the Secretary  
7           concerned.

8           “(3) *FIXING BONUS AMOUNT.*—Upon acceptance  
9           by the Secretary concerned of the written agreement  
10          required by subsection (d), the total amount of the  
11          bonus to be paid under the agreement shall be fixed.

12          “(d) *WRITTEN AGREEMENT FOR BONUS.*—To receive  
13          an aviation officer bonus under this section, an officer de-  
14          termined to be eligible for the bonus shall enter into a writ-  
15          ten agreement with the Secretary concerned that specifies—

16                  “(1) the amount of the bonus;

17                  “(2) the method of payment of the bonus under  
18          subsection (c)(2);

19                  “(3) the period of obligated service; and

20                  “(4) the type or conditions of the service.

21          “(e) *RESERVE COMPONENT OFFICERS PERFORMING*  
22          *INACTIVE DUTY TRAINING.*—A reserve component officer  
23          who is entitled to compensation under section 206 of this  
24          title and who is authorized aviation incentive pay under  
25          this section may be paid an amount of incentive pay that

1 *is proportionate to the compensation received under section*  
2 *206 for inactive-duty training.*

3 “(f) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
4 *ANCES.—*

5 “(1) *AVIATION INCENTIVE PAY.—Aviation incen-*  
6 *tive pay paid to an officer under subsection (a) shall*  
7 *be in addition to any other pay and allowance to*  
8 *which an officer is entitled, except that an officer may*  
9 *not receive a payment under such subsection and sec-*  
10 *tion 351(a)(4) or 353 of this title for the same skill*  
11 *and period of service.*

12 “(2) *AVIATION BONUS.—An aviation bonus paid*  
13 *to an officer under subsection (b) shall be in addition*  
14 *to any other pay and allowance to which the officer*  
15 *is entitled, except that an officer may not receive a*  
16 *payment under such subsection and section 332 or*  
17 *353 of this title for the same skill and period of serv-*  
18 *ice.*

19 “(g) *REPAYMENT.—An officer who receives aviation*  
20 *incentive pay or an aviation bonus under this section and*  
21 *who fails to fulfill the eligibility requirements for the receipt*  
22 *of the incentive pay or bonus or complete the period of serv-*  
23 *ice for which the incentive pay or bonus is paid, as specified*  
24 *in the written agreement under subsection (d) in the case*

1 of a bonus, shall be subject to the repayment provisions of  
2 section 373 of this title.

3 “(h) *DEFINITIONS.*—*In this section:*

4 “(1) *The term ‘aviation service’ means service*  
5 *performed by a regular or reserve component officer*  
6 *(except a flight surgeon or other medical officer) while*  
7 *holding an aeronautical rating or designation or*  
8 *while in training to receive an aeronautical rating or*  
9 *designation.*

10 “(2) *The term ‘operational flying duty’ means*  
11 *flying performed under competent orders by rated or*  
12 *designated regular or reserve component officers while*  
13 *serving in assignments in which basic flying skills*  
14 *normally are maintained in the performance of as-*  
15 *signed duties as determined by the Secretary con-*  
16 *cerned, and flying performed by members in training*  
17 *that leads to the award of an aeronautical rating or*  
18 *designation.*

19 “(3) *The term ‘proficiency flying duty’ means*  
20 *flying performed under competent orders by rated or*  
21 *designated regular or reserve component officers while*  
22 *serving in assignments in which such skills would*  
23 *normally not be maintained in the performance of as-*  
24 *signed duties.*

1           “(4) The term ‘officer’ includes an individual en-  
2           listed and designated as an aviation cadet under sec-  
3           tion 6911 of title 10, United States Code.

4           “(i) REGULATIONS.—This section shall be adminis-  
5           tered under regulations prescribed by—

6           “(1) the Secretary of Defense, with respect to the  
7           armed forces under the jurisdiction of the Secretary  
8           of Defense;

9           “(2) the Secretary of Homeland Security, with  
10          respect to the Coast Guard when it is not operating  
11          as a service in the Navy; and

12          “(3) the Secretary of Commerce, with respect to  
13          the National Oceanic and Atmospheric Administra-  
14          tion.

15       **“§335. Special bonus and incentive pay authorities**  
16                               **for officers in health professions**

17          “(a) HEALTH PROFESSIONS BONUS.—The Secretary  
18          concerned may pay a health professions bonus under this  
19          section to a person, including an officer in the uniformed  
20          services, who is a graduate of an accredited school in a  
21          health profession and who—

22          “(1) accepts a commission or appointment as a  
23          regular or reserve component officer in a uniformed  
24          service, or affiliates with a reserve component of a  
25          uniformed service, and agrees to serve on active duty

1       *in a regular component or in an active status in a*  
2       *reserve component in a health profession; or*

3               “(2) agrees to remain on active duty or continue  
4       *serving in an active status in a reserve component in*  
5       *a health profession.*

6       “(b) *HEALTH PROFESSIONS INCENTIVE PAY.*—*The*  
7       *Secretary concerned may pay incentive pay under this sec-*  
8       *tion to an officer in a regular or reserve component of a*  
9       *uniformed service who—*

10               “(1) is entitled to basic pay under section 204  
11       *of this title or compensation under section 206 of this*  
12       *title; and*

13               “(2) is serving on active duty or in an active  
14       *status in a designated health profession specialty or*  
15       *skill.*

16       “(c) *BOARD CERTIFICATION INCENTIVE PAY.*—*The*  
17       *Secretary concerned may pay board certification incentive*  
18       *pay under this section to an officer in a regular or reserve*  
19       *component of a uniformed service who—*

20               “(1) is entitled to basic pay under section 204  
21       *of this title or compensation under section 206 of this*  
22       *title; and*

23               “(2) is board certified in a designated health  
24       *profession specialty or skill; and*

1           “(3) *is serving on active duty or in an active*  
2           *status in such designated health profession specialty*  
3           *or skill.*

4           “(d) *ADDITIONAL ELIGIBILITY CRITERIA.—The Sec-*  
5           *retary concerned may impose such additional criteria for*  
6           *the receipt of a bonus or incentive pay under this section*  
7           *as the Secretary determines to be appropriate.*

8           “(e) *MAXIMUM AMOUNT AND METHOD OF PAYMENT.—*

9           “(1) *MAXIMUM AMOUNT.—The Secretary con-*  
10           *cerned shall determine the amounts of a bonus or in-*  
11           *centive pay to be paid under this section, except*  
12           *that—*

13                   “(A) *a health professions bonus may not ex-*  
14                   *ceed \$100,000 for each 12-month period of obli-*  
15                   *gated service agreed to under subsection (f);*

16                   “(B) *health professions incentive pay may*  
17                   *not exceed \$100,000 in any 12-month period,*  
18                   *and it may be paid monthly; and*

19                   “(C) *board certification incentive pay may*  
20                   *not exceed \$25,000 per 12-month period an offi-*  
21                   *cer remains certified in the designated health*  
22                   *profession specialty or skill.*

23           “(2) *LUMP SUM OR INSTALLMENTS.—A bonus*  
24           *under subsection (a) may be paid in a lump sum or*  
25           *in periodic installments, as determined by the Sec-*

1        *retary concerned. Board certification incentive pay*  
2        *may be paid monthly, in a lump sum at the begin-*  
3        *ning of the certification period, or in periodic install-*  
4        *ments during the certification period, as determined*  
5        *by the Secretary concerned.*

6                *“(3) FIXING BONUS AMOUNT.—Upon acceptance*  
7        *by the Secretary concerned of the written agreement*  
8        *required by subsection (f), the total amount of the*  
9        *bonus to be paid under the agreement shall be fixed.*

10              *“(f) WRITTEN AGREEMENT FOR BONUS.—To receive a*  
11        *bonus under this section, an officer determined to be eligible*  
12        *for the bonus shall enter into a written agreement with the*  
13        *Secretary concerned that specifies—*

14              *“(1) the amount of the bonus;*

15              *“(2) the method of payment of the bonus under*  
16        *subsection (e)(2);*

17              *“(3) the period of obligated service;*

18              *“(4) whether the service will be performed on ac-*  
19        *tive duty or in an active status in a reserve compo-*  
20        *nent; and*

21              *“(5) the type or conditions of the service.*

22              *“(g) RESERVE COMPONENT OFFICERS.—An officer in*  
23        *a reserve component authorized incentive pay under sub-*  
24        *section (b) or (c) who is not serving on continuous active*  
25        *duty and is entitled to compensation under sections 204*

1 *of this title or compensation under section 206 of this title*  
2 *may be paid a monthly amount of incentive pay that is*  
3 *proportionate to the basic pay or compensation received*  
4 *under this title.*

5       “(h) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
6 *ANCES.—*

7               “(1) *HEALTH PROFESSIONS BONUS.—A bonus*  
8 *paid to a person or officer under subsection (a) shall*  
9 *be in addition to any other pay and allowance to*  
10 *which an officer is entitled, except that an officer may*  
11 *not receive a payment under such subsection and sec-*  
12 *tion 332 of this title for the same period of obligated*  
13 *service.*

14               “(2) *HEALTH PROFESSIONS INCENTIVE PAY.—*  
15 *Incentive pay paid to an officer under subsection (b)*  
16 *shall be in addition to any other pay and allowance*  
17 *to which an officer is entitled, except that an officer*  
18 *may not receive a payment under such subsection and*  
19 *section 353 of this title for the same skill and period*  
20 *of service.*

21               “(3) *BOARD CERTIFICATION INCENTIVE PAY.—*  
22 *Incentive pay paid to an officer under subsection (c)*  
23 *shall be in addition to any other pay and allowance*  
24 *to which an officer is entitled, except that an officer*  
25 *may not receive a payment under such subsection and*

1        *section 353(b) of this title for the same skill and pe-*  
2        *riod of service covered by the certification.*

3        “(i) *REPAYMENT.*—*An officer who receives a bonus or*  
4        *incentive pay under this section and who fails to fulfill the*  
5        *eligibility requirements for the receipt of the bonus or incen-*  
6        *tive pay or complete the period of service for which the*  
7        *bonus or incentive pay is paid, as specified in the written*  
8        *agreement under subsection (f) in the case of a bonus, shall*  
9        *be subject to the repayment provisions of section 373 of this*  
10       *title.*

11       “(j) *HEALTH PROFESSION DEFINED.*—*In this section,*  
12       *the term ‘health profession’ means:*

13       “(1) *Any health profession performed by officers in the*  
14       *Medical Corps of a uniformed service or by officers des-*  
15       *ignated as a medical officer.*

16       “(2) *Any health profession performed by officers in the*  
17       *Dental Corps of a uniformed service or by officers des-*  
18       *ignated as a dental officer.*

19       “(3) *Any health profession performed by officers in the*  
20       *Medical Service Corps of a uniformed service or by officers*  
21       *designated as a medical service officer or biomedical*  
22       *sciences officer.*

23       “(4) *Any health profession performed by officers in the*  
24       *Medical Specialist Corps of a uniformed service or by offi-*  
25       *cers designated as a medical specialist.*

1       “(5) Any health profession performed by officers of the  
2 Nurse Corps of a uniformed service or by officers designated  
3 as a nurse.

4       “(6) Any health profession performed by officers in the  
5 Veterinary Corps of a uniformed service or by officers des-  
6 ignated as a veterinary officer.

7       “(7) Any health profession performed by officers des-  
8 ignated as a physician assistant.

9       “(8) Any health profession performed by officers in the  
10 regular or reserve corps of the Public Health Service.

11       “(k) REGULATIONS.—This section shall be adminis-  
12 tered under regulations prescribed by—

13       “(1) the Secretary of Defense, with respect to the armed  
14 forces under the jurisdiction of the Secretary of Defense;

15       “(2) the Secretary of Homeland Security, with respect  
16 to the Coast Guard when it is not operating as a service  
17 in the Navy; and

18       “(3) the Secretary of Health and Human Services,  
19 with respect to the commissioned corps of the Public Health  
20 Service.

21       **“§ 351. Hazardous duty pay**

22       “(a) HAZARDOUS DUTY PAY.—The Secretary con-  
23 cerned may pay hazardous duty pay under this section to  
24 a member of a regular or reserve component of the uni-  
25 formed services entitled to basic pay under section 204 of

1 *this title or compensation under section 206 of this title*  
2 *who—*

3           “(1) *performs duty in a hostile fire area des-*  
4 *ignated by the Secretary concerned;*

5           “(2) *is exposed to a hostile fire event, explosion*  
6 *of a hostile explosive device, or any other hostile ac-*  
7 *tion;*

8           “(3) *is on duty during a month in an area in*  
9 *which an event described in paragraph (2) occurred*  
10 *which placed the member in grave danger of physical*  
11 *injury;*

12           “(4) *performs duty the Secretary concerned has*  
13 *designated as hazardous duty based upon the inherent*  
14 *dangers of that duty and risks of physical injury; or*

15           “(5) *performs duty in a foreign area designated*  
16 *by the Secretary concerned as an area in which the*  
17 *member is subject to imminent danger of physical in-*  
18 *jury due to threat conditions.*

19           “(b) *MAXIMUM AMOUNT.—The amount of hazardous*  
20 *duty pay paid to a member under subsection (a) shall be*  
21 *based on the type of duty and the area in which the duty*  
22 *is performed, as follows:*

23           “(1) *In the case of a member who performs duty*  
24 *in a designated hostile fire area, as described in para-*

1       *graph (1) of such subsection, hazardous duty pay*  
2       *may not exceed \$450 per month.*

3               “(2) *In the case of a member who is exposed to*  
4       *a hostile fire event or is on duty in an area in which*  
5       *such an event occurred which placed the member in*  
6       *grave danger of physical injury, as described in para-*  
7       *graph (2) or (3) of such subsection, hazardous duty*  
8       *pay may not exceed \$450 per month.*

9               “(3) *In the case of a member who performs a*  
10       *designated hazardous duty, as described in paragraph*  
11       *(4) of such subsection, hazardous duty pay may not*  
12       *exceed \$250 per month.*

13               “(4) *In the case of a member who performs duty*  
14       *in a foreign area designated as an imminent danger*  
15       *area, as described in paragraph (5) of such sub-*  
16       *section, hazardous duty pay may not exceed \$250 per*  
17       *month.*

18       “(c) *METHOD OF PAYMENT.—Hazardous duty pay*  
19       *shall be paid on a monthly basis. A member who is eligible*  
20       *for hazardous duty pay by reason of paragraph (1), (2),*  
21       *or (3) of subsection (a) shall receive the full monthly rate*  
22       *of hazardous duty pay authorized by the Secretary con-*  
23       *cerned under such paragraph, notwithstanding subsection*  
24       *(d).*

1           “(d) *RESERVE COMPONENT MEMBERS PERFORMING*  
2 *INACTIVE DUTY TRAINING.*—A member of a reserve compo-  
3 *nent entitled to compensation under section 206 of this title*  
4 *who is authorized hazardous duty pay under this section*  
5 *may be paid an amount of hazardous duty pay that is pro-*  
6 *portionate to the compensation received by the member*  
7 *under section 206 of this title for inactive-duty training.*

8           “(e) *ADMINISTRATION AND RETROACTIVE PAY-*  
9 *MENTS.*—The effective date for a hostile fire area designa-  
10 *tion, as described in paragraph (1) of subsection (a), and*  
11 *for the designation of a foreign area as an imminent danger*  
12 *area, as described in paragraph (5) of such subsection, may*  
13 *be a date that occurs before, on, or after the actual date*  
14 *of the designation by the Secretary concerned.*

15           “(f) *DETERMINATION OF FACT.*—Any determination of  
16 *fact that is made in administering paragraph (2) or (3)*  
17 *of subsection (a) is conclusive. The determination may not*  
18 *be reviewed by any other officer or agency of the United*  
19 *States unless there has been fraud or gross negligence. How-*  
20 *ever, the Secretary concerned may change the determination*  
21 *on the basis of new evidence or for other good cause.*

22           “(g) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
23 *ANCES.*—A member may be paid hazardous duty pay under  
24 *this section in addition to any other pay and allowances*  
25 *to which the member is entitled. The regulations prescribed*

1 *under subsection (j) shall address dual compensation under*  
2 *this section for multiple circumstances involving perform-*  
3 *ance of a designated hazardous duty, as described in para-*  
4 *graph (4) of subsection (a), or for duty in certain des-*  
5 *ignated areas, as described in paragraph (1) or 5 of such*  
6 *subsection, that is performed by a member during a single*  
7 *month of service.*

8       “(h) *PROHIBITION ON VARIABLE RATES.*—*The regula-*  
9 *tions prescribed under subsection (j) may not include varied*  
10 *criteria or rates for payment of hazardous duty for officers*  
11 *and enlisted members.*

12       “(i) *REPAYMENT.*—*A member who receives the haz-*  
13 *ardous duty pay authorized under this section and who*  
14 *fails to meet the eligibility requirements under subsection*  
15 *(a) shall be subject to the repayment provisions of section*  
16 *373 of this title.*

17       “(j) *REGULATIONS.*—*This section shall be adminis-*  
18 *tered under regulations prescribed by—*

19               “(1) *the Secretary of Defense, with respect to the*  
20 *armed forces under the jurisdiction of the Secretary*  
21 *of Defense;*

22               “(2) *the Secretary of Homeland Security, with*  
23 *respect to the Coast Guard when it is not operating*  
24 *as a service in the Navy;*

1           “(3) *the Secretary of Health and Human Serv-*  
2           *ices, with respect to the commissioned corps of the*  
3           *Public Health Service; and*

4           “(4) *the Secretary of Commerce, with respect to*  
5           *the National Oceanic and Atmospheric Administra-*  
6           *tion.*

7   **“§ 352. Assignment pay or special duty pay**

8           “(a) *ASSIGNMENT OR SPECIAL DUTY PAY AUTHOR-*  
9           *IZED.—The Secretary concerned may pay assignment or*  
10          *special duty pay under this section to a member of a reg-*  
11          *ular or reserve component of the uniformed services who—*

12           “(1) *is entitled to basic pay under section 204*  
13          *of this title or compensation under section 206 of this*  
14          *title; and*

15           “(2) *performs duties in an assignment, location,*  
16          *or unit designated by, and under the conditions of*  
17          *service specified by, the Secretary concerned.*

18          “(b) *MAXIMUM AMOUNT AND METHOD OF PAYMENT.—*

19           “(1) *LUMP SUM OR INSTALLMENTS.—Assignment*  
20          *or special duty pay under subsection (a) may be paid*  
21          *monthly, in a lump sum, or in periodic installments*  
22          *other than monthly, as determined by the Secretary*  
23          *concerned.*

1           “(2) *MAXIMUM MONTHLY AMOUNT.*—*The maximum monthly amount of assignment or special duty*  
2           *pay may not exceed \$5,000.*

3           “(3) *MAXIMUM LUMP SUM AMOUNT.*—*The*  
4           *amount of a lump sum payment of assignment or*  
5           *special duty pay payable to a member may not exceed*  
6           *the amount equal to the product of—*

7                   “(A) *the maximum monthly rate authorized*  
8                   *under paragraph (2) at the time the member en-*  
9                   *ters into a written agreement under subsection*  
10                  *(c); and*

11                  “(B) *the number of continuous months in*  
12                  *the period for which assignment or special duty*  
13                  *pay will be paid pursuant to the agreement.*

14           “(4) *MAXIMUM INSTALLMENT AMOUNT.*—*The*  
15           *amount of each installment payment of assignment or*  
16           *special duty pay payable to a member on an install-*  
17           *ment basis may not exceed the amount equal to—*

18                   “(A) *the product of—*

19                           “(i) *a monthly rate specified in the*  
20                           *written agreement entered into under sub-*  
21                           *section (c), which monthly rate may not ex-*  
22                           *ceed the maximum monthly rate authorized*  
23                           *under paragraph (2) at the time the mem-*  
24                           *ber enters into the agreement; and*  
25

1                   “(ii) *the number of continuous months*  
2                   *in the period for which the assignment or*  
3                   *special duty pay will be paid; divided by*  
4                   “(B) *the number of installments over such*  
5                   *period.*

6                   “(5) *EFFECT OF EXTENSION.—If a member ex-*  
7                   *tends an assignment or performance of duty specified*  
8                   *in an agreement with the Secretary concerned under*  
9                   *subsection (c), assignment or special duty pay for the*  
10                   *period of the extension may be paid on a monthly*  
11                   *basis, in a lump sum, or in installments, consistent*  
12                   *with this subsection.*

13                   “(c) *WRITTEN AGREEMENT.—*

14                   “(1) *DISCRETIONARY FOR MONTHLY PAY-*  
15                   *MENTS.—The Secretary concerned may require a*  
16                   *member to enter into a written agreement with the*  
17                   *Secretary in order to qualify for the payment of as-*  
18                   *signment or special duty pay on a monthly basis. The*  
19                   *written agreement shall specify the period for which*  
20                   *the assignment or special duty pay will be paid to the*  
21                   *member and the monthly rate of the assignment or*  
22                   *special duty pay.*

23                   “(2) *REQUIRED FOR LUMP SUM OR INSTALL-*  
24                   *MENT PAYMENTS.—The Secretary concerned shall re-*  
25                   *quire a member to enter into a written agreement*

1       *with the Secretary in order to qualify for payment of*  
2       *assignment or special duty pay on a lump sum or in-*  
3       *stallment basis. The written agreement shall specify*  
4       *the period for which the assignment or special duty*  
5       *pay will be paid to the member and the amount of*  
6       *the lump sum or each periodic installment.*

7       “(d) *RESERVE COMPONENT MEMBERS PERFORMING*  
8       *INACTIVE DUTY TRAINING.*—*A member of a reserve compo-*  
9       *nent entitled to compensation under section 206 of this title*  
10       *who is authorized assignment or special duty pay under*  
11       *this section may be paid an amount of assignment or spe-*  
12       *cial duty pay that is proportionate to the compensation re-*  
13       *ceived by the member under section 206 of this title for inac-*  
14       *tive-duty training.*

15       “(e) *RELATIONSHIP TO OTHER PAY AND ALLOW-*  
16       *ANCES.*—*Assignment or special duty pay paid to a member*  
17       *under this section is in addition to any other pay and al-*  
18       *lowances to which a member is entitled.*

19       “(f) *REPAYMENT.*—*A member who receives assignment*  
20       *or special duty pay under this section and who fails to ful-*  
21       *fill the eligibility requirements under subsection (a) shall*  
22       *be subject to the repayment provisions of section 373 of this*  
23       *title.*

24       “(g) *REGULATIONS.*—*This section shall be adminis-*  
25       *tered under regulations prescribed by—*

1           “(1) *the Secretary of Defense, with respect to the*  
2           *armed forces under the jurisdiction of the Secretary*  
3           *of Defense;*

4           “(2) *the Secretary of Homeland Security, with*  
5           *respect to the Coast Guard when it is not operating*  
6           *as a service in the Navy;*

7           “(3) *the Secretary of Health and Human Serv-*  
8           *ices, with respect to the commissioned corps of the*  
9           *Public Health Service; and*

10           “(4) *the Secretary of Commerce, with respect to*  
11           *the National Oceanic and Atmospheric Administra-*  
12           *tion.*

13   **“§ 353. Skill incentive pay or proficiency bonus**

14           “(a) *SKILL INCENTIVE PAY.—The Secretary concerned*  
15           *may pay a monthly skill incentive pay to a member of a*  
16           *regular or reserve component of the uniformed services*  
17           *who—*

18           “(1) *is entitled to basic pay under section 204*  
19           *of this title or compensation under section 206 of this*  
20           *title; and*

21           “(2) *serves in a career field or skill designated*  
22           *as critical by the Secretary concerned.*

23           “(b) *SKILL PROFICIENCY BONUS.—The Secretary con-*  
24           *cerned may pay a proficiency bonus to a member of a reg-*  
25           *ular or reserve component of the uniformed services who—*

1           “(1) is entitled to basic pay under section 204  
2 of this title or compensation under section 206 of this  
3 title; and

4           “(2) is determined to have, and maintains, cer-  
5 tified proficiency under subsection (d) in a skill des-  
6 igned as critical by the Secretary concerned.

7           “(c) *MAXIMUM AMOUNTS AND METHODS OF PAY-*  
8 *MENT.*—

9           “(1) *SKILL INCENTIVE PAY.*—Skill incentive pay  
10 shall be in paid monthly in an amount not exceed  
11 \$1,000 per month.

12           “(2) *PROFICIENCY BONUS.*—A proficiency bonus  
13 may be paid in a lump sum at the beginning of the  
14 proficiency certification period or in periodic install-  
15 ments during the proficiency certification period. The  
16 amount of the bonus may not exceed \$12,000 per 12-  
17 month period of certification. The Secretary con-  
18 cerned may not vary the criteria or rates for the pro-  
19 ficiency bonus paid for officers and enlisted members.

20           “(d) *CERTIFIED PROFICIENCY FOR PROFICIENCY*  
21 *BONUS.*—

22           “(1) *CERTIFICATION REQUIRED.*—Proficiency in  
23 a designated critical skill shall be subject to annual  
24 certification by the Secretary concerned.

1           “(2) *DURATION OF CERTIFICATION.*—A certifi-  
2           *cation period shall expire at the end of the one-year*  
3           *period beginning on the first day of the first month*  
4           *beginning on or after the certification date.*

5           “(3) *WAIVER.*—*Notwithstanding paragraphs (1)*  
6           *and (2), the regulations prescribed under subsection*  
7           *(i) shall address the circumstances under which the*  
8           *Secretary concerned may waive the certification re-*  
9           *quirement under paragraph (1) or extend a certifi-*  
10           *cation period under paragraph (2).*

11           “(e) *WRITTEN AGREEMENT.*—

12           “(1) *DISCRETIONARY FOR SKILL INCENTIVE*  
13           *PAY.*—*The Secretary concerned may require a mem-*  
14           *ber to enter into a written agreement with the Sec-*  
15           *retary in order to qualify for the payment of skill in-*  
16           *centive pay. The written agreement shall specify the*  
17           *period for which the skill incentive pay will be paid*  
18           *to the member and the monthly rate of the pay.*

19           “(2) *REQUIRED FOR PROFICIENCY BONUS.*—*The*  
20           *Secretary concerned shall require a member to enter*  
21           *into a written agreement with the Secretary in order*  
22           *to qualify for payment of a proficiency bonus. The*  
23           *written agreement shall specify the amount of the pro-*  
24           *ficiency bonus, the period for which the bonus will be*

1       *paid, and the initial certification or recertification*  
2       *necessary for payment of the proficiency bonus.*

3       “(f) *RESERVE COMPONENT MEMBERS PERFORMING*  
4 *INACTIVE DUTY TRAINING.*—

5               “(1) *PRORATION.*—*A member of a reserve compo-*  
6       *nent entitled to compensation under section 206 of*  
7       *this title who is authorized skill incentive pay under*  
8       *subsection (a) may be paid an amount of skill incen-*  
9       *tive pay that is proportionate to the compensation re-*  
10       *ceived by the member under section 206 of this title*  
11       *for inactive-duty training.*

12              “(2) *EXCEPTION FOR FOREIGN LANGUAGE PRO-*  
13       *FICIENCY.*—*No reduction in the amount of skill incen-*  
14       *tive pay may be made under paragraph (1) in the*  
15       *case of a member of a reserve component who is au-*  
16       *thorized skill incentive pay because of the member’s*  
17       *proficiency in a foreign language.*

18              “(g) *REPAYMENT.*—*A member who receives skill incen-*  
19       *tive pay or a proficiency bonus under this section and who*  
20       *fails to fulfill the eligibility requirement for receipt of the*  
21       *pay or bonus shall be subject to the repayment provisions*  
22       *of section 373 of this title.*

23              “(h) *RELATIONSHIP TO OTHER PAYS AND ALLOW-*  
24       *ANCES.*—*A member may not be paid more than one pay*  
25       *under this section in any month for the same period of serv-*

1 *ice and skill. A member may be paid skill incentive pay*  
2 *or the proficiency bonus under this section in addition to*  
3 *any other pay and allowances to which the member is enti-*  
4 *tled, except that the member may not be paid skill incentive*  
5 *pay or a proficiency bonus under this section and haz-*  
6 *ardous duty pay under section 351(a)(4) of this title for*  
7 *the same period of service in the same career field or skill.*

8       “(i) *REGULATIONS.—This section shall be adminis-*  
9 *tered under regulations prescribed by—*

10               “(1) *the Secretary of Defense, with respect to the*  
11 *armed forces under the jurisdiction of the Secretary*  
12 *of Defense;*

13               “(2) *the Secretary of Homeland Security, with*  
14 *respect to the Coast Guard when it is not operating*  
15 *as a service in the Navy;*

16               “(3) *the Secretary of Health and Human Serv-*  
17 *ices, with respect to the commissioned corps of the*  
18 *Public Health Service; and*

19               “(4) *the Secretary of Commerce, with respect to*  
20 *the National Oceanic and Atmospheric Administra-*  
21 *tion.*

22       “**SUBCHAPTER III—GENERAL PROVISIONS**

23       “**§ 371. Relationship to other incentives and pays**

24               “(a) *TREATMENT.—A bonus or incentive pay paid to*  
25 *a member of the uniformed services under subchapter II is*

1 *in addition to any other pay and allowance to which a*  
2 *member is entitled, unless otherwise provided under this*  
3 *chapter.*

4 “(b) *EXCEPTION.*—*A member may not receive a bonus*  
5 *or incentive pay under both subchapter I and subchapter*  
6 *II for the same activity, skill, or period of service.*

7 “(c) *RELATIONSHIP TO OTHER COMPUTATIONS.*—*The*  
8 *amount of a bonus or incentive pay to which a member*  
9 *is entitled under subchapter II may not be included in com-*  
10 *puting the amount of—*

11 “(1) *any increase in pay authorized by any*  
12 *other provision of this title; or*

13 “(2) *any retired pay, retainer pay, separation*  
14 *pay, or disability severance pay.*

15 “**§372. Continuation of pays during hospitalization**  
16 ***for wounds, injury, or illness incurred***  
17 ***while on duty in a hostile fire area or ex-***  
18 ***posed to an event of hostile fire or other***  
19 ***hostile action***

20 “(a) *CONTINUATION OF PAYS.*—*Notwithstanding any*  
21 *other provision of law, the Secretary concerned may con-*  
22 *tinue to pay all pay and allowances to a member of a reg-*  
23 *ular or reserve component of a uniformed service, including*  
24 *any bonus, incentive pay, or similar benefit, if the mem-*  
25 *ber—*

1           “(1) incurs a wound, injury, or illness in the  
2           line of duty while serving in a combat operation or  
3           a combat zone, while serving in a hostile fire area, or  
4           while exposed to a hostile fire event, as described  
5           under section 351 of this title; and

6           “(2) is hospitalized for treatment of such wound,  
7           injury, or illness.

8           “(b) *DURATION.*—The continuation of pay and allow-  
9           ances of a member under subsection (a) shall expire at the  
10          end of the first month during which the member is no longer  
11          hospitalized for treatment.

12          “(c) *DEFINITIONS.*—In this section:

13           “(1) The term ‘hospitalized for treatment’, with  
14           respect to a member, means the member—

15           “(A) is admitted as an inpatient in a mili-  
16           tary treatment facility; or

17           “(B) is residing in quarters or in a facility  
18           affiliated with the military health care system  
19           for the purposes of receiving extensive outpatient  
20           rehabilitation or other medical care.

21           “(2) The term ‘bonus, incentive pay, or similar  
22           benefit’ means a bonus, incentive pay, special pay, or  
23           similar payment, or an educational benefit or sti-  
24           pend, paid to a member of the uniformed services  
25           under this title or title 10.

1 **“§ 373. Repayment of unearned portion of bonus, in-**  
2 **centive pay, or similar benefit when con-**  
3 **ditions of payment not met**

4 “(a) *REPAYMENT.*—*Except as provided in subsection*  
5 *(b), a member of the uniformed services who is paid a*  
6 *bonus, incentive pay, or similar benefit, the receipt of which*  
7 *is contingent upon the member’s satisfaction of certain serv-*  
8 *ice or eligibility requirements, shall repay to the United*  
9 *States any unearned portion of the bonus, incentive pay,*  
10 *or similar benefit if the member fails to satisfy any such*  
11 *service or eligibility requirement.*

12 “(b) *EXCEPTIONS.*—*The regulations prescribed to ad-*  
13 *minister this section may specify procedures for deter-*  
14 *mining the circumstances under which an exception to the*  
15 *required repayment may be granted.*

16 “(c) *EFFECT OF BANKRUPTCY.*—*An obligation to*  
17 *repay the United States under this section is, for all pur-*  
18 *poses, a debt owed the United States. A discharge in bank-*  
19 *ruptcy under title 11 does not discharge a person from such*  
20 *debt if the discharge order is entered less than five years*  
21 *after—*

22 “(1) *the date of the termination of the agreement*  
23 *or contract on which the debt is based; or*

24 “(2) *in the absence of such an agreement or con-*  
25 *tract, the date of the termination of the service on*  
26 *which the debt is based.*

1       “(d) *DEFINITIONS.—In this section:*

2               “(1) *The term ‘bonus, incentive pay, or similar*  
3 *benefit’ means a bonus, incentive pay, special pay, or*  
4 *similar payment, or an educational benefit or sti-*  
5 *pend, paid to a member of the uniformed services*  
6 *under a provision of law that refers to the repayment*  
7 *requirements of this section or section 303a(e) of this*  
8 *title.*

9               “(2) *The term ‘service’ refers to an obligation*  
10 *willingly undertaken by a member of the uniformed*  
11 *services, in exchange for a bonus, incentive pay, or*  
12 *similar benefit offered by the Secretary concerned—*

13                       “(A) *to a regular or reserve component*  
14 *member who remains on active duty or in an ac-*  
15 *tive status;*

16                       “(B) *to perform duty in a specified skill,*  
17 *with or without a specified qualification or cre-*  
18 *dential;*

19                       “(C) *to perform duty in a specified assign-*  
20 *ment, location or unit; or*

21                       “(D) *to perform duty for a specified period*  
22 *of time.*

23       **“§ 374. Regulations**

24               *“This subchapter shall be administered under regula-*  
25 *tions prescribed by—*

1           “(1) the Secretary of Defense, with respect to the  
2           armed forces under the jurisdiction of the Secretary  
3           of Defense;

4           “(2) the Secretary of Homeland Security, with  
5           respect to the Coast Guard when it is not operating  
6           as a service in the Navy;

7           “(3) the Secretary of Health and Human Serv-  
8           ices, with respect to the commissioned corps of the  
9           Public Health Service; and

10           “(4) the Secretary of Commerce, with respect to  
11           the National Oceanic and Atmospheric Administra-  
12           tion.”.

13           (b) *TRANSFER OF 15-YEAR CAREER STATUS BONUS*  
14 *TO SUBCHAPTER II.—*

15           (1) *TRANSFER.—*Section 322 of title 37, United  
16           States Code, is transferred to appear after section 353  
17           of subchapter II of chapter 5 of such title, as added  
18           by subsection (a), and is redesignated as section 354.

19           (2) *CONFORMING AMENDMENT.—*Subsection (f) of  
20           such section, as so transferred and redesignated, is  
21           amended by striking “section 303a(e)” and inserting  
22           “section 373”.

23           (3) *CROSS REFERENCES.—*Sections 1401a,  
24           1409(b)(2), and 1410 of title 10, United States Code,

1       are amended by striking “section 322” each place it  
2       appears and inserting “section 322 or 354”.

3       (c) *TRANSFER OF RETENTION INCENTIVES FOR MEM-*  
4 *BERS QUALIFIED IN CRITICAL MILITARY SKILLS OR AS-*  
5 *SIGNED TO HIGH PRIORITY UNITS.*—

6           (1) *TRANSFER.*—Section 323 of title 37, United  
7       States Code, as amended by sections 614(e) and 621,  
8       is transferred to appear after section 354 of sub-  
9       chapter II of chapter 5 of such title, as transferred  
10      and redesignated by subsection (b)(1), and is redesign-  
11      ated as section 355.

12          (2) *CONFORMING AMENDMENT.*—Subsection (g)  
13      of such section, as so transferred and redesignated, is  
14      amended by striking “section 303a(e)” and inserting  
15      “section 373”.

16      (d) *CLERICAL AMENDMENTS.*—The table of sections at  
17      the beginning of chapter 5 of title 37, United States Code,  
18      is amended to read as follows:

“SUBCHAPTER I—EXISTING SPECIAL PAY, INCENTIVE PAY, AND BONUS  
AUTHORITIES

“Sec.

“301. Incentive pay: hazardous duty.

“301a. Incentive pay: aviation career.

“301b. Special pay: aviation career officers extending period of active duty.

“301c. Incentive pay: submarine duty.

“301d. Multiyear retention bonus: medical officers of the armed forces.

“301e. Multiyear retention bonus: dental officers of the armed forces.

“302. Special pay: medical officers of the armed forces.

“302a. Special pay: optometrists.

“302b. Special pay: dental officers of the armed forces.

“302c. Special pay: psychologists and nonphysician health care providers.

“302d. Special pay: accession bonus for registered nurses.

“302e. Special pay: nurse anesthetists.

- “302f. *Special pay: reserve, recalled, or retained health care officers.*
- “302g. *Special pay: Selected Reserve health care professionals in critically short wartime specialties.*
- “302h. *Special pay: accession bonus for dental officers.*
- “302i. *Special pay: pharmacy officers.*
- “302j. *Special pay: accession bonus for pharmacy officers.*
- “302k. *Special pay: accession bonus for medical officers in critically short wartime specialties.*
- “302l. *Special pay: accession bonus for dental specialist officers in critically short wartime specialties.*
- “303. *Special pay: veterinarians.*
- “303a. *Special pay: general provisions.*
- “303b. *Waiver of board certification requirements.*
- “304. *Special pay: diving duty.*
- “305. *Special pay: hardship duty pay.*
- “305a. *Special pay: career sea pay.*
- “305b. *Special pay: service as member of Weapons of Mass Destruction Civil Support Team.*
- “306. *Special pay: officers holding positions of unusual responsibility and of critical nature.*
- “306a. *Special pay: members assigned to international military headquarters.*
- “307. *Special pay: special duty assignment pay for enlisted members.*
- “307a. *Special pay: assignment incentive pay.*
- “308. *Special pay: reenlistment bonus.*
- “308b. *Special pay: reenlistment bonus for members of the Selected Reserve.*
- “308c. *Special pay: bonus for affiliation or enlistment in the Selected Reserve.*
- “308d. *Special pay: members of the Selected Reserve assigned to certain high priority units.*
- “308g. *Special pay: bonus for enlistment in elements of the Ready Reserve other than the Selected Reserve.*
- “308h. *Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve.*
- “308i. *Special pay: prior service enlistment bonus.*
- “308j. *Special pay: affiliation bonus for officers in the Selected Reserve.*
- “309. *Special pay: enlistment bonus.*
- “310. *Special pay: duty subject to hostile fire or imminent danger.*
- “312. *Special pay: nuclear-qualified officers extending period of active duty.*
- “312b. *Special pay: nuclear career accession bonus.*
- “312c. *Special pay: nuclear career annual incentive bonus.*
- “314. *Special pay or bonus: qualified members extending duty at designated locations overseas.*
- “315. *Special pay: engineering and scientific career continuation pay.*
- “316. *Special pay: bonus for members with foreign language proficiency.*
- “317. *Special pay: officers in critical acquisition positions extending period of active duty.*
- “318. *Special pay: special warfare officers extending period of active duty.*
- “319. *Special pay: surface warfare officer continuation pay.*
- “320. *Incentive pay: career enlisted flyers.*
- “321. *Special pay: judge advocate continuation pay.*
- “324. *Special pay: accession bonus for new officers in critical skills.*
- “325. *Incentive bonus: savings plan for education expenses and other contingencies.*
- “326. *Incentive bonus: conversion to military occupational specialty to ease personnel shortage.*

- “327. *Incentive bonus: transfer between armed forces.*  
 “328. *Combat-related injury rehabilitation pay.*  
 “329. *Incentive bonus: retired members and reserve component members volunteering for high-demand, low-density assignments.*  
 “330. *Special pay: accession bonus for officer candidates.*

“SUBCHAPTER II—CONSOLIDATION OF SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES

- “331. *General bonus authority for enlisted members.*  
 “332. *General bonus authority for officers.*  
 “333. *Special bonus and incentive pay authorities for nuclear officers.*  
 “334. *Special aviation incentive pay and bonus authorities for officers.*  
 “335. *Special bonus and incentive pay authorities for officers in health professions.*  
 “351. *Hazardous duty pay.*  
 “352. *Assignment pay or special duty pay.*  
 “353. *Skill incentive pay or proficiency bonus.*  
 “354. *Special pay: 15-year career status bonus for members entering service on or after August 1, 1986.*  
 “355. *Special pay: retention incentives for members qualified in critical military skills or assigned to high priority units.*

“SUBCHAPTER III—GENERAL PROVISIONS

- “371. *Relationship to other incentives and pays.*  
 “372. *Continuation of pays during hospitalization for wounds, injury, or illness incurred while on duty in a hostile fire area or exposed to an event of hostile fire or other hostile action.*  
 “373. *Repayment of unearned portion of bonus, incentive pay, or similar benefit when conditions of payment not met.*  
 “374. *Regulations.”.*

1 **SEC. 662. TRANSITIONAL PROVISIONS.**

2 (a) *IMPLEMENTATION PLAN.—*

3 (1) *DEVELOPMENT.—The Secretary of Defense*  
 4 *shall develop a plan to implement subchapters II and*  
 5 *III of chapter 5 of title 37, United States Code, as*  
 6 *added by section 661(a), and to correspondingly tran-*  
 7 *sition all of the special and incentive pay programs*  
 8 *for members of the uniformed services solely to provi-*  
 9 *sions of such subchapters.*

10 (2) *SUBMISSION.—Not later than one year after*  
 11 *the date of the enactment of this Act, the Secretary*

1       *shall submit the implementation plan to the congress-*  
2       *sional defense committees.*

3       **(b) TRANSITION PERIOD.**—*During a transition period*  
4       *of not more than 10 years beginning on the date of the en-*  
5       *actment of this Act, the Secretary of Defense, the Secretary*  
6       *of a military department, and the Secretaries referred to*  
7       *in subsection (c) may continue to use the authorities in pro-*  
8       *visions in subchapter I of chapter 5 of title 37, United*  
9       *States Code, as designated by section 661(a), but subject*  
10       *to the terms of such provisions and such modifications as*  
11       *the Secretary of Defense may include in the implementation*  
12       *plan, to provide bonuses and special and incentive pays for*  
13       *members of the uniformed services.*

14       **(c) COORDINATION.**—*The Secretary of Defense shall*  
15       *prepare the implementation plan in coordination with—*

16                (1) *the Secretary of Homeland Security, with re-*  
17                *spect to the Coast Guard;*

18                (2) *the Secretary of Health and Human Serv-*  
19                *ices, with respect to the commissioned corps of the*  
20                *Public Health Service; and*

21                (3) *the Secretary of Commerce, with respect to*  
22                *the National Oceanic and Atmospheric Administra-*  
23                *tion.*

24       **(d) NO EFFECT ON FISCAL YEAR 2008 OBLIGA-**  
25       **TIONS.**—*During fiscal year 2008, obligations incurred*

1 *under subchapters I, II, and III of chapter 5 of title 37,*  
2 *United States Code, as amended by section 661, to provide*  
3 *bonuses, incentive pays, special pays, and similar pay-*  
4 *ments to members of the uniformed services under such sub-*  
5 *chapters may not exceed the obligations that would be in-*  
6 *curring in the absence of the amendments made by such sec-*  
7 *tion.*

8 ***Subtitle G—Other Matters***

9 ***SEC. 671. EXPANSION OF EDUCATION LOAN REPAYMENT***  
10 ***PROGRAM FOR MEMBERS OF THE SELECTED***  
11 ***RESERVE.***

12 *(a) ADDITIONAL EDUCATIONAL LOANS ELIGIBLE FOR*  
13 *REPAYMENT.—Paragraph (1) of subsection (a) of section*  
14 *16301 of title 10, United States Code, is amended—*

15 *(1) by striking “or” at the end of subparagraph*  
16 *(B);*

17 *(2) by striking the period at the end of subpara-*  
18 *graph (C) and inserting “; or”; and*

19 *(3) by adding at the end the following new sub-*  
20 *paragraph:*

21 *“(D) any loan incurred for educational purposes*  
22 *made by a lender that is—*

23 *“(i) an agency or instrumentality of a*  
24 *State;*

1           “(ii) a financial or credit institution (in-  
2           cluding an insurance company) that is subject to  
3           examination and supervision by an agency of  
4           the United States or any State;

5           “(iii) a pension fund approved by the Sec-  
6           retary for purposes of this section; or

7           “(iv) a nonprofit private entity designated  
8           by a State, regulated by that State, and ap-  
9           proved by the Secretary for purposes of this sec-  
10          tion.”.

11          (b) *PARTICIPATION OF OFFICERS IN PROGRAM.*—Such  
12          subsection is further amended—

13               (1) in paragraph (2)—

14                       (A) by striking “Except as provided in  
15                       paragraph (3), the Secretary” and inserting  
16                       “The Secretary”; and

17                       (B) by striking “an enlisted member of the  
18                       Selected Reserve of the Ready Reserve of an  
19                       armed force in a reserve component and military  
20                       specialty” and inserting “a member of the Se-  
21                       lected Reserve of the Ready Reserve of an armed  
22                       force in a reserve component and in an officer  
23                       program or military specialty”; and

24               (2) by striking paragraph (3).

25          (c) *CLERICAL AMENDMENTS.*—

1           (1) *SECTION HEADING.*—*The heading of such sec-*  
2           *tion is amended to read as follows:*

3           “**§ 16301. Education loan repayment program: mem-**  
4                           **bers of Selected Reserve**”.

5           (2) *TABLE OF SECTIONS.*—*The table of sections*  
6           *at the beginning of chapter 1609 of such title is*  
7           *amended by striking the item relating to section*  
8           *16301 and inserting the following new item:*

          “16301. *Education loan repayment program: members of Selected Reserve.*”.

9           **SEC. 672. ENSURING ENTRY INTO UNITED STATES AFTER**  
10                           **TIME ABROAD FOR PERMANENT RESIDENT**  
11                           **ALIEN MILITARY SPOUSES AND CHILDREN.**

12           *Section 284 of the Immigration and Nationality Act*  
13           *(8 U.S.C. 1354) is amended—*

14                   (1) *by striking “Nothing” and inserting “(a)*  
15                   *Nothing”; and*

16                   (2) *by adding at the end the following new sub-*  
17                   *section:*

18           “(b) *In the case of a person lawfully admitted for per-*  
19           *manent residence who is the spouse or child of a member*  
20           *of the Armed Forces of the United States, is authorized to*  
21           *accompany such member and reside abroad with the mem-*  
22           *ber pursuant to the member’s official orders, and is so ac-*  
23           *companying and residing with the member (in marital*  
24           *union if a spouse), such residence and physical presence*  
25           *abroad shall not be treated as—*

1           “(1) an abandonment or relinquishment of law-  
2           ful permanent resident status for purposes of section  
3           101(a)(13)(C)(i); or

4           “(2) an absence from the United States for pur-  
5           poses of section 101(a)(13)(C)(ii).”.

6 **SEC. 673. OVERSEAS NATURALIZATION FOR MILITARY**  
7           **SPOUSES AND CHILDREN.**

8           (a) *SPOUSES*.—Section 319 of the Immigration and  
9           Nationality Act (8 U.S.C. 1430) is amended by adding at  
10          the end the following new subsection:

11          “(e)(1) In the case of a person lawfully admitted for  
12          permanent residence in the United States who is the spouse  
13          of a member of the Armed Forces of the United States, is  
14          authorized to accompany such member and reside abroad  
15          with the member pursuant to the member’s official orders,  
16          and is so accompanying and residing with the member in  
17          marital union, such residence and physical presence abroad  
18          shall be treated, for purposes of subsection (a) and section  
19          316(a), as residence and physical presence in—

20                  “(A) the United States; and

21                  “(B) any State or district of the Department of  
22          Homeland Security in the United States.

23          “(2) Notwithstanding any other provision of law, a  
24          spouse described in paragraph (1) shall be eligible for natu-  
25          ralization proceedings overseas pursuant to section 1701(d)

1 *of the National Defense Authorization Act for Fiscal Year*  
2 *2004 (Public Law 108–136; 8 U.S.C. 1443a).”.*

3 (b) *CHILDREN.*—*Section 322 of the Immigration and*  
4 *Nationality Act (8 U.S.C. 1433) is amended by adding at*  
5 *the end the following new subsection:*

6 “(d) *In the case of a child of a member of the Armed*  
7 *Forces of the United States who is authorized to accompany*  
8 *such member and reside abroad with the member pursuant*  
9 *to the member’s official orders, and is so accompanying and*  
10 *residing with the member—*

11 “(1) *any period of time during which the mem-*  
12 *ber of the Armed Forces is residing abroad pursuant*  
13 *to official orders shall be treated, for purposes of sub-*  
14 *section (a)(2)(A), as physical presence in the United*  
15 *States;*

16 “(2) *subsection (a)(5) shall not apply; and*

17 “(3) *the oath of allegiance described in subsection*  
18 *(b) may be subscribed to abroad pursuant to section*  
19 *1701(d) of the National Defense Authorization Act for*  
20 *Fiscal Year 2004 (Public Law 108–136; 8 U.S.C.*  
21 *1443a).”.*

22 (c) *OVERSEAS NATURALIZATION AUTHORITY.*—*Sec-*  
23 *tion 1701(d) of the National Defense Authorization Act for*  
24 *Fiscal Year 2004 (Public Law 108–136; 8 U.S.C. 1443a)*  
25 *is amended—*

1           (1) *in the subsection heading, by inserting “AND*  
 2           *THEIR SPOUSES AND CHILDREN” after “FORCES”;*  
 3           *and*

4           (2) *by inserting “, and persons made eligible for*  
 5           *naturalization by section 319(e) or 322(d) of such*  
 6           *Act,” after “Armed Forces”.*

7           (d) *EFFECTIVE DATE.—The amendments made by this*  
 8           *section shall take effect on the date of enactment of this Act*  
 9           *and apply to any application for naturalization or*  
 10           *issuance of a certificate of citizenship pending on or after*  
 11           *such date.*

12                           **TITLE VII—HEALTH CARE**  
 13   **PROVISIONS**

- Sec. 701. Extension of prohibition on increases in certain health care costs for members of the uniformed services.*
- Sec. 702. Temporary prohibition on increase in copayments under retail pharmacy system of pharmacy benefits program.*
- Sec. 703. Fair pricing under pharmacy benefits program.*
- Sec. 704. Prohibition on conversion of military medical and dental positions to civilian medical and dental positions.*
- Sec. 705. Establishment of Nurse Practitioner Program.*
- Sec. 706. Services of mental health counselors.*
- Sec. 707. Extension of pilot program for health care delivery.*
- Sec. 708. Stipend for members of Reserve Components for health care for certain dependents.*
- Sec. 709. Joint Pathology Center.*
- Sec. 710. Report on training in preservation of remains under combat or combat-related conditions.*
- Sec. 711. Pre- and post-deployment assessments for the purpose of determining the cognitive functioning and brain health of deployed members of the Armed Forces.*
- Sec. 712. Guaranteed funding for Walter Reed Army Medical Center.*

1 **SEC. 701. EXTENSION OF PROHIBITION ON INCREASES IN**  
2 **CERTAIN HEALTH CARE COSTS FOR MEM-**  
3 **BERS OF THE UNIFORMED SERVICES.**

4 (a) *EXTENSION OF PROHIBITION ON INCREASE IN*  
5 *CHARGES UNDER CONTRACTS FOR MEDICAL CARE.*—*Sec-*  
6 *tion 1097(e) of title 10, United States Code, is amended*  
7 *by striking “2007” and inserting “2008”.*

8 (b) *EXTENSION OF PROHIBITION IN INCREASE IN*  
9 *CHARGES FOR INPATIENT CARE.*—*Section 1086(b)(3) of*  
10 *title 10, United States Code, is amended by striking*  
11 *“2007.” and inserting “2008”.*

12 (c) *EXTENSION OF PROHIBITION ON INCREASE IN*  
13 *PREMIUMS UNDER TRICARE COVERAGE FOR CERTAIN*  
14 *MEMBERS IN THE SELECTED RESERVE.*—*Section*  
15 *1076d(d)(3) of title 10, United States Code, is amended by*  
16 *striking “2007” and inserting “2008”.*

17 (d) *EXTENSION OF PROHIBITION ON INCREASE IN*  
18 *PREMIUMS UNDER TRICARE COVERAGE FOR MEMBERS*  
19 *OF THE READY RESERVE.*—*Section 1076b(e)(3) of title 10,*  
20 *United States Code, is amended by striking “2007” and in-*  
21 *serting “2008”.*

22 **SEC. 702. TEMPORARY PROHIBITION ON INCREASE IN CO-**  
23 **PAYMENTS UNDER RETAIL PHARMACY SYS-**  
24 **TEM OF PHARMACY BENEFITS PROGRAM.**

25 *During the period beginning on October 1, 2007, and*  
26 *ending on September 30, 2008, the cost sharing require-*

1 *ments established under paragraph (6) of section 1074g(a)*  
2 *of title 10, United States Code, for pharmaceutical agents*  
3 *available through retail pharmacies covered by paragraph*  
4 *(2)(E)(ii) of such section may not exceed amounts as fol-*  
5 *lows:*

6 *(1) In the case of generic agents, \$3.*

7 *(2) In the case of formulary agents, \$9.*

8 *(3) In the case of nonformulary agents, \$22.*

9 **SEC. 703. FAIR PRICING UNDER PHARMACY BENEFITS PRO-**  
10 **GRAM.**

11 *Section 1074g(a) of title 10, United States Code, is*  
12 *amended by adding at the end the following new paragraph:*

13 *“(9)(A) In carrying out this subsection, the Sec-*  
14 *retary may, to the extent recommended by the Phar-*  
15 *macy and Therapeutics Committee in the course of re-*  
16 *viewing any therapeutic class of pharmaceutical*  
17 *agents, exclude from the pharmacy benefits program*  
18 *any pharmaceutical agent that is not provided to the*  
19 *Secretary consistent with the pricing standard set*  
20 *forth subparagraph (B).*

21 *“(B) The pricing standard referred to in sub-*  
22 *paragraph (A) is that the price of any pharma-*  
23 *ceutical agent made available to beneficiaries through*  
24 *all the means described in paragraph (2)(E) shall be*

1        *the same as, or lower than, the price of the agent*  
2        *under section 8126 of title 38, United States Code.”.*

3    **SEC. 704. PROHIBITION ON CONVERSION OF MILITARY**  
4                    **MEDICAL AND DENTAL POSITIONS TO CIVIL-**  
5                    **IAN MEDICAL AND DENTAL POSITIONS.**

6        (a) *PROHIBITION.*—*The Secretary of a military de-*  
7        *partment may not convert any military medical or dental*  
8        *position to a civilian medical or dental position on or after*  
9        *October 1, 2007.*

10       (b) *REPORT.*—

11            (1) *REQUIREMENT.*—*The Secretary of Defense*  
12        *shall submit to the congressional defense committees a*  
13        *report on conversions made during fiscal year 2007*  
14        *not later than 180 days after the enactment of this*  
15        *Act.*

16            (2) *MATTERS COVERED.*—*The report shall in-*  
17        *clude the following:*

18            (A) *The number of military medical or den-*  
19        *tal positions, by grade or band and specialty,*  
20        *converted to civilian medical or dental positions.*

21            (B) *The results of a market survey in each*  
22        *affected area of the availability of civilian med-*  
23        *ical and dental care providers in such area in*  
24        *order to determine whether there were civilian*  
25        *medical and dental care providers available in*

1           *such area adequate to fill the civilian positions*  
2           *created by the conversion of military medical*  
3           *and dental positions to civilian positions in such*  
4           *area.*

5           *(C) An analysis, by affected area, showing*  
6           *the extent to which access to health care and cost*  
7           *of health care was affected in both the direct care*  
8           *and purchased care systems, including an assess-*  
9           *ment of the effect of any increased shifts in pa-*  
10          *tient load from the direct care to the purchased*  
11          *care system, or any delays in receipt of care in*  
12          *either the direct or purchased care system be-*  
13          *cause of the conversions.*

14          *(D) The extent to which military medical*  
15          *and dental positions converted to civilian med-*  
16          *ical or dental positions affected recruiting and*  
17          *retention of uniformed medical and dental per-*  
18          *sonnel.*

19          *(E) A comparison of the full costs for the*  
20          *military medical and dental positions converted*  
21          *with the full costs for civilian medical and den-*  
22          *tal positions, including expenses such as recruit-*  
23          *ing, salary, benefits, training, and any other*  
24          *costs the Department identifies.*

1           (F) *An assessment showing that the mili-*  
2           *tary medical or dental positions converted were*  
3           *in excess of the military medical and dental po-*  
4           *sitions needed to meet medical and dental readi-*  
5           *ness requirements of the uniformed services, as*  
6           *determined jointly by all the uniformed services.*

7           (c) *DEFINITIONS.—In this section:*

8           (1) *The term “military medical or dental posi-*  
9           *tion” means a position for the performance of health*  
10           *care functions within the Armed Forces held by a*  
11           *member of the Armed Forces.*

12           (2) *The term “civilian medical or dental posi-*  
13           *tion” means a position for the performance of health*  
14           *care functions within the Department of Defense held*  
15           *by an employee of the Department or of a contractor*  
16           *of the Department.*

17           (3) *The term “uniformed services” has the mean-*  
18           *ing given that term in section 1072(1) of title 10,*  
19           *United States Code.*

20           (4) *The term “conversion,” with respect to a*  
21           *military medical or dental position, means a change*  
22           *of the position to a civilian medical or dental posi-*  
23           *tion, effective as of the date of the manning authoriza-*  
24           *tion document of the military department making the*  
25           *change (through a change in designation from mili-*



1           (1) *REIMBURSEMENT UNDER TRICARE.*—Section  
2   1079(a)(8) of title 10, United States Code, is amend-  
3   ed—

4           (A) by inserting “or licensed or certified  
5   mental health counselors” after “certified mar-  
6   riage and family therapists” both places it ap-  
7   pears; and

8           (B) by inserting “or licensed or certified  
9   mental health counselors” after “that the thera-  
10   pists.”

11          (2) *AUTHORITY TO ASSESS MEDICAL OR PSYCHO-*  
12   *LOGICAL NECESSITY OF SERVICE OR SUPPLY.*—Sec-  
13   tion 1079(a)(13) of such title is amended by inserting  
14   “, licensed or certified mental health counselor,” after  
15   “certified marriage and family therapist”.

16   (b) *SERVICES OF MENTAL HEALTH COUNSELORS.*—

17          (1) *AUTHORITY TO ENTER INTO PERSONAL SERV-*  
18   *ICES CONTRACTS.*—Section 704(c)(2) of the National  
19   Defense Authorization Act for Fiscal Year 1995 (Pub-  
20   lic Law 103–337; 108 Stat. 2799; 10 U.S.C. 1091  
21   note) is amended by inserting “mental health coun-  
22   selors,” after “psychologists,”.

23          (2) *APPLICABILITY OF LICENSURE REQUIREMENT*  
24   *FOR HEALTH-CARE PROFESSIONALS.*—Section 1094  
25   (e)(2) of title 10, United States Code, is amended by

1        *inserting “mental health counselor,” after “psycholo-*  
2        *gist,”.*

3        **SEC. 707. EXTENSION OF PILOT PROGRAM FOR HEALTH**  
4        **CARE DELIVERY.**

5        (a) *EXTENSION OF DURATION OF PILOT PROGRAM.—*  
6        *Section 721(e) of the Ronald W. Reagan National Defense*  
7        *Authorization Act for Fiscal Year 2005 (Public Law 108–*  
8        *375; 10 U.S.C. 1092 note) is amended by striking “and*  
9        *2007” and inserting “, 2007, 2008, 2009, and 2010”.*

10       (b) *EXTENSION OF REPORT DEADLINE.—Section*  
11       *721(f) of such Act is amended by striking “July 1, 2007”*  
12       *and inserting “July 1, 2010”.*

13       (c) *REVISION IN SELECTION CRITERIA.—Section*  
14       *721(d)(2) of such Act is amended by striking “expected to*  
15       *increase over the next five years” and inserting “has in-*  
16       *creased over the five years preceding 2008”.*

17       (d) *ADDITION TO REQUIREMENTS OF PILOT PRO-*  
18       *GRAM.—Section 721(b) of such Act is amended—*

19                (1) *by striking “and” at the end of paragraph*

20                (3);

21                (2) *by striking the period and inserting “; and”*  
22        *at the end of paragraph (4); and*

23                (3) *by adding at the end the following:*

24                        “(5) *collaborate with State and local authorities*  
25        *to create an arrangement to share and exchange, be-*

1 *tween the Department of Defense and non-military*  
2 *health care systems, personal health information and*  
3 *data of military personnel and their families.”.*

4 **SEC. 708. STIPEND FOR MEMBERS OF RESERVE COMPO-**  
5 **NENTS FOR HEALTH CARE FOR CERTAIN DE-**  
6 **PENDENTS.**

7 *The Secretary of Defense may pay a stipend to a mem-*  
8 *ber of a reserve component who is called or ordered to active*  
9 *duty for a period of more than 30 days for purposes of*  
10 *maintaining civilian health care coverage for a dependant*  
11 *whom the Secretary determines to possess a special health*  
12 *care need that would be best met by remaining in the mem-*  
13 *ber’s civilian health plan. In making such determination,*  
14 *the Secretary shall consider whether—*

15 *(1) the dependent of the member was receiving*  
16 *treatment for the special health care need before the*  
17 *call or order to active duty of the member; and*

18 *(2) the call or order to active duty would result*  
19 *in an interruption in treatment or a change in health*  
20 *care provider for such treatment.*

21 **SEC. 709. JOINT PATHOLOGY CENTER.**

22 *(a) ESTABLISHMENT.—The Secretary of Defense shall*  
23 *establish a Joint Pathology Center located on the National*  
24 *Naval Medical Center in Bethesda, Maryland, that shall*

1 *function as the reference center in pathology for the Depart-*  
2 *ment of Defense.*

3 (b) *SERVICES.*—*The Joint Pathology Center shall pro-*  
4 *vide, at a minimum, the following services:*

5 (1) *Diagnostic pathology consultation in medi-*  
6 *cine, dentistry, and veterinary sciences.*

7 (2) *Pathology education, to include graduate*  
8 *medical education, including residency and fellowship*  
9 *programs, and continuing medical education.*

10 (3) *Diagnostic pathology research.*

11 **SEC. 710. REPORT ON TRAINING IN PRESERVATION OF RE-**  
12 **MAINS UNDER COMBAT OR COMBAT-RELATED**  
13 **CONDITIONS.**

14 (a) *REPORT REQUIRED.*—*The Secretary of Defense*  
15 *shall submit to the Committees on Armed Services of the*  
16 *Senate and the House of Representatives a report on the*  
17 *requirements of section 567 of the John Warner National*  
18 *Defense Authorization Act for Fiscal Year 2007 (Public*  
19 *Law 109–364; 120 Stat. 2224; 10 U.S.C. 1481 note).*

20 (b) *MATTERS COVERED.*—*The report shall include a*  
21 *detailed description of the implementation of such section,*  
22 *including—*

23 (1) *where the training program is taking place;*

24 (2) *who is providing the training;*

1           (3) *the number of each type of military health*  
2           *care professional trained to date; and*

3           (4) *what the training covers.*

4           (c) *DEADLINE.—The report required by this section*  
5           *shall be submitted not later than 180 days after the date*  
6           *of the enactment of this Act.*

7   **SEC. 711. PRE- AND POST-DEPLOYMENT ASSESSMENTS FOR**  
8                           **THE PURPOSE OF DETERMINING THE COG-**  
9                           **NITIVE FUNCTIONING AND BRAIN HEALTH OF**  
10                          **DEPLOYED MEMBERS OF THE ARMED**  
11                          **FORCES.**

12           (a) *ESTABLISHMENT.—The Secretary of Defense, in*  
13           *collaboration with the Secretaries of the military depart-*  
14           *ments, shall establish a computer-based program that as-*  
15           *sesses the cognitive functioning, in a pre- and post-deploy-*  
16           *ment environment, of all members of the armed forces who*  
17           *are deployed in support of the Global War on Terror, in-*  
18           *cluding Operation Iraqi Freedom and Operation Enduring*  
19           *Freedom.*

20           (b) *MINIMUM PROTOCOL REQUIREMENTS.—*

21                   (1) *IN GENERAL.—The program required by sub-*  
22           *section (a) shall include—*

23                           (A) *administration of computer-based*  
24                           *neurocognitive assessments;*

1           (B) pre-deployment assessments to establish  
2           a neurocognitive baseline for members of the  
3           Armed Forces for future treatment;

4           (C) a tool to assess mood states associated  
5           with post-traumatic stress syndrome; and

6           (D) a standardized battery of tests to assess  
7           traumatic brain injury.

8           (c) ASSESSMENTS.—

9           (1) FREQUENCY.—The predeployment assessment  
10          to baseline neurocognitive functioning shall be admin-  
11          istered within 90 days prior to deployment. The post-  
12          deployment assessment shall be administered within  
13          45 days of return from theater.

14          (2) REQUIREMENTS OF ASSESSMENT.—The com-  
15          puter-based neurocognitive assessments required by  
16          subsection (a) shall include the capability to be  
17          archived and stored on Department of Defense-based  
18          servers for future medical use.

19          (d) REPORT.—Not later than 9 months after the date  
20          of enactment of this Act, the Secretary of Defense shall sub-  
21          mit to the Committees on Armed Services of the Senate and  
22          the House of Representatives a report on the implementa-  
23          tion of this section.

1 **SEC. 712. GUARANTEED FUNDING FOR WALTER REED ARMY**  
 2 **MEDICAL CENTER.**

3 *The amount of funds available for the commander of*  
 4 *Walter Reed Army Medical Center for a fiscal year shall*  
 5 *be not less than the amount expended by the commander*  
 6 *of Walter Reed Army Medical Center in fiscal year 2006*  
 7 *until the first fiscal year beginning after the date on which*  
 8 *the Secretary of Defense certifies to the Committee on*  
 9 *Armed Services of the Senate and the Committee on Armed*  
 10 *Services of the House of Representatives that the expanded*  
 11 *facilities at the National Naval Medical Center, Bethesda,*  
 12 *Maryland, and DeWitt Army Community Hospital, Fort*  
 13 *Belvoir, Virginia, as described in section 304(a), are com-*  
 14 *pleted, equipped, and staffed with sufficient capacity to ac-*  
 15 *cept and provide at least the same level of care as patients*  
 16 *received at Walter Reed Army Medical Center during fiscal*  
 17 *year 2006.*

18 **TITLE VIII—ACQUISITION POL-**  
 19 **ICY, ACQUISITION MANAGE-**  
 20 **MENT, AND RELATED MAT-**  
 21 **TERS**

*Subtitle A—Acquisition Policy and Management*

*Sec. 801. Definition of commercial services.*

*Sec. 802. Acquisition workforce provisions.*

*Sec. 803. Guidance on defense procurements made through contracts of other agencies.*

*Sec. 804. Prohibition on procurement from beneficiaries of foreign subsidies.*

*Sec. 805. Prohibition on procurement from companies in violation of the Iran and Syria Nonproliferation Act.*

*Sec. 806. Lead systems integrators.*

- Sec. 807. Procurement goal for Native Hawaiian-serving institutions and Alaska Native-serving institutions.*
- Sec. 808. Reinvestment in domestic sources of strategic materials.*
- Sec. 809. Clarification of the protection of strategic materials critical to national security.*
- Sec. 810. Debarment of contractors convicted of criminal violations of the Arms Export Control Act.*

*Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations*

- Sec. 811. Change to the Truth in Negotiations Act exception for the acquisition of a commercial item.*
- Sec. 812. Clarification of submission of cost or pricing data on noncommercial modifications of commercial items.*
- Sec. 813. Plan for restricting Government-unique contract clauses on commercial contracts.*
- Sec. 814. Extension of authority for use of simplified acquisition procedures for certain commercial items.*
- Sec. 815. Extension of authority to fill shortage category positions for certain federal acquisition positions.*
- Sec. 816. Extension of authority to carry out certain prototype projects.*
- Sec. 817. Clarification of limited acquisition authority for special operations command.*
- Sec. 818. Exemption of special operations command from certain requirements for contracts relating to vessels, aircraft, and combat vehicles.*
- Sec. 819. Provision of authority to maintain equipment to unified combatant command for joint warfighting.*
- Sec. 820. Market research.*

*Subtitle C—Accountability in Contracting*

- Sec. 821. Limitation on length of noncompetitive contracts.*
- Sec. 822. Maximizing fixed-price procurement contracts.*
- Sec. 823. Public disclosure of justification and approval documents for noncompetitive contracts.*
- Sec. 824. Disclosure of Government contractor audit findings.*
- Sec. 825. Study of acquisition workforce.*
- Sec. 826. Report to Congress.*

*Subtitle D—Contracts Relating to Iraq and Afghanistan*

- Sec. 831. Memorandum of understanding on matters relating to contracting.*
- Sec. 832. Comptroller General reviews and reports on contracting in Iraq and Afghanistan.*
- Sec. 833. Definitions.*
- Sec. 834. Competition for equipment supplied to Iraq and Afghanistan.*

*Subtitle E—Other Matters*

- Sec. 841. Rapid Commercial Information Technology Identification Demonstration Project.*
- Sec. 842. Report to Congress required on delays in major phases of acquisition process for major automated information system programs.*
- Sec. 843. Requirement for licensing of certain military designations and likenesses of weapons systems to toy and hobby manufacturers.*

*Sec. 844. Change in grounds for waiver of limitation on service contract to acquire military flight simulator.*

*Sec. 845. Evaluation of cost of compliance with requirement to buy certain articles from American sources.*

*Sec. 846. Requirements relating to waivers of certain domestic source limitations.*

*Sec. 847. Multiple cost threshold breaches.*

*Sec. 848. Phone cards.*

*Sec. 849. Jurisdiction under Contract Disputes Act of 1978 over claims, disputes, and appeals arising out of maritime contracts.*

*Sec. 850. Clarification of jurisdiction of the United States district courts to hear bid protest disputes involving maritime contracts.*

## 1 ***Subtitle A—Acquisition Policy and*** 2 ***Management***

### 3 ***SEC. 801. DEFINITION OF COMMERCIAL SERVICES.***

4 *(a) COMMERCIAL ITEM REGULATIONS TO BE USED*  
 5 *ONLY FOR COMMERCIAL SERVICES MEETING STATUTORY*  
 6 *DEFINITION.—The Administrator for Federal Procurement*  
 7 *Policy shall revise the Federal Acquisition Regulation to en-*  
 8 *sure that only commercial services as defined in section*  
 9 *4(12)(F) of the Office of Federal Procurement Policy Act*  
 10 *(41 U.S.C. 403(12)(F)) are procured under procedures set*  
 11 *forth in Part 12 of the Federal Acquisition Regulation. In*  
 12 *carrying out the revision, the Administrator shall remove*  
 13 *the words “of a type” from the definition of commercial*  
 14 *services to be procured under such Part 12.*

15 *(b) REQUIREMENT TO ANALYZE TWO OPTIONS FOR*  
 16 *PROCUREMENT OF SERVICES SIMILAR TO COMMERCIAL*  
 17 *SERVICES.—The Administrator for Federal Procurement*  
 18 *Policy shall analyze the two options described in subsection*  
 19 *(c) to determine which regulations would be in the best in-*  
 20 *terest of the Government for the procurement of services*

1 *similar to commercial services. After completing the anal-*  
2 *ysis, the Administrator shall revise the Federal Acquisition*  
3 *Regulation to include the option that the Administrator has*  
4 *determined to be in the best interest of the Government.*

5 *(c) OPTIONS FOR ANALYSIS.—The two options are as*  
6 *follows:*

7 *(1) OPTION 1.—Part 12 of the Federal Acquisi-*  
8 *tion, relating to acquisition of commercial items, with*  
9 *the following additional provisions:*

10 *(A) Subject to subparagraph (B), the con-*  
11 *tracting officer may request the following infor-*  
12 *mation from the offeror:*

13 *(i) Prices paid for the same or similar*  
14 *commercial items under comparable terms*  
15 *and conditions by both government and*  
16 *commercial customers.*

17 *(ii) Information regarding price or*  
18 *cost that may support the price offered, such*  
19 *as wages, subcontracts, or material costs.*

20 *(iii) Such other information as the Ad-*  
21 *ministrator considers appropriate.*

22 *(B) The contracting officer should not re-*  
23 *quest more information than is necessary to de-*  
24 *termine that an offered price is reasonable.*

1           (2) *OPTION 2.—Part 15 of the Federal Acquisi-*  
2           *tion Regulation, relating to contracting by negotia-*  
3           *tion, as in effect on the date of the enactment of this*  
4           *Act.*

5 **SEC. 802. ACQUISITION WORKFORCE PROVISIONS.**

6           (a) *REPEAL OF SUNSET OF ACQUISITION WORKFORCE*  
7           *TRAINING FUND.—Section 37(h)(3) of the Office of Federal*  
8           *Procurement Policy Act (41 U.S.C. 433(h)(3)) is amended*  
9           *by striking subparagraph (H).*

10          (b) *REQUIREMENT FOR SECTION ON ACQUISITION*  
11          *WORKFORCE IN STRATEGIC HUMAN CAPITAL PLAN.—*

12                 (1) *IN GENERAL.—In the update of the strategic*  
13                 *human capital plan for 2008, and in each subsequent*  
14                 *update, the Secretary of Defense shall include a sepa-*  
15                 *rate section focused on the defense acquisition work-*  
16                 *force, including both military and civilian personnel.*

17                 (2) *FUNDING.—The section shall contain—*

18                         (A) *an identification of the funding pro-*  
19                         *grammed for acquisition workforce training in*  
20                         *the future years defense program;*

21                         (B) *a determination by the Secretary of*  
22                         *whether such funding is adequate; and*

23                         (C) *an evaluation of how such funding can*  
24                         *be protected from being diverted to other uses.*

1           (3) *AREAS OF NEED.*—*The section also shall*  
2           *identify any areas of need in the acquisition work-*  
3           *force, including—*

4                   (A) *changes to the types of skills needed in*  
5                   *the acquisition workforce;*

6                   (B) *incentives to retain in the acquisition*  
7                   *workforce qualified, experienced acquisition*  
8                   *workforce personnel; and*

9                   (C) *incentives for attracting new, high-qual-*  
10                  *ity personnel to the acquisition workforce.*

11           (c) *STRATEGIC HUMAN CAPITAL PLAN DEFINED.*—*In*  
12           *this section, the term “strategic human capital plan” means*  
13           *the strategic human capital plan required under section*  
14           *1122 of the National Defense Authorization Act for Fiscal*  
15           *Year 2006 (Public Law 109–163; 119 Stat. 3452; 10 U.S.C.*  
16           *prec. 1580 note).*

17           **SEC. 803. GUIDANCE ON DEFENSE PROCUREMENTS MADE**  
18                                   **THROUGH CONTRACTS OF OTHER AGENCIES.**

19           (a) *GUIDANCE.*—*The Under Secretary of Defense for*  
20           *Acquisition, Technology, and Logistics shall issue guidance*  
21           *on the use of interagency contracting by the Department*  
22           *of Defense.*

23           (b) *MATTERS COVERED.*—*The guidance shall include,*  
24           *at a minimum, the following provisions:*

1           (1) *Items unique to the Department of Defense*  
2           *may not be acquired by interagency contracting.*

3           (2) *Acquisition officials should make a good faith*  
4           *effort, including through the conduct of market re-*  
5           *search, if appropriate, to identify whether an item*  
6           *considered for interagency contracting is already*  
7           *being provided under a contract awarded by the De-*  
8           *partment of Defense.*

9           (3) *Acquisition officials shall ensure that, with*  
10          *respect to the outside agency involved in any procure-*  
11          *ment through interagency contracting, any require-*  
12          *ments related to the procurement that are specific to*  
13          *the Department of Defense shall be identified and*  
14          *communicated to the agency, including relevant re-*  
15          *quirements of the following:*

16                   (A) *The Federal Acquisition Regulation.*

17                   (B) *The Department of Defense Supplement*  
18                   *to the Federal Acquisition Regulation.*

19                   (C) *Appropriations laws.*

20                   (D) *Provisions in law or regulation that are*  
21                   *unique to defense procurement and that apply to*  
22                   *the specific contract under consideration, but*  
23                   *that may not be included under subparagraph*  
24                   *(A), (B), or (C).*

25          (c) *DEFINITIONS.—In this section:*

1           (1) *INTERAGENCY CONTRACTING.*—*The term*  
2           *“interagency contracting” means the procurement of*  
3           *goods or services (under section 1535 of title 31,*  
4           *United States Code) through a contract entered into*  
5           *by an agency outside the Department of Defense.*

6           (2) *ACQUISITION OFFICIAL.*—*The term “acqui-*  
7           *sition official” means—*

8                     (A) *in the case of a direct acquisition, the*  
9                     *contracting officer for the acquisition; and*

10                    (B) *in the case of an assisted acquisition,*  
11                    *the program manager coordinating the acquisi-*  
12                    *tion for the Department of Defense.*

13           (3) *DIRECT ACQUISITION.*—*The term “direct ac-*  
14           *quisition” means the type of interagency contracting*  
15           *through which the Department of Defense orders an*  
16           *item or service from a government-wide acquisition*  
17           *contract maintained by an agency outside the De-*  
18           *partment.*

19           (4) *ASSISTED ACQUISITION.*—*The term “assisted*  
20           *acquisition” means the type of interagency con-*  
21           *tracting through which an agency outside the Depart-*  
22           *ment of Defense awards a contract for the procure-*  
23           *ment of goods or services.*

1 **SEC. 804. PROHIBITION ON PROCUREMENT FROM BENE-**  
2 **FICIARIES OF FOREIGN SUBSIDIES.**

3 (a) *PROHIBITION.*—*The Secretary of Defense may not*  
4 *enter into a contract for the procurement of goods or services*  
5 *from any foreign person to which the government of a for-*  
6 *ign country that is a member of the World Trade Organi-*  
7 *zation has provided a subsidy if—*

8 (1) *the United States has requested consultations*  
9 *with that foreign country under the Agreement on*  
10 *Subsidies and Countervailing Measures on the basis*  
11 *that the subsidy is a prohibited subsidy under that*  
12 *Agreement; and*

13 (2) *either—*

14 (A) *the issue before the World Trade Orga-*  
15 *nization has not been resolved; or*

16 (B) *the World Trade Organization has*  
17 *ruled that the subsidy provided by the foreign*  
18 *country is a prohibited subsidy under the Agree-*  
19 *ment on Subsidies and Countervailing Measures.*

20 (b) *JOINT VENTURES.*—*The prohibition under sub-*  
21 *section (a) with respect to a foreign person also applies to*  
22 *any joint venture, cooperative organization, partnership, or*  
23 *contracting team of which that foreign person is a member.*

24 (c) *SUBCONTRACTS AND TASK ORDERS.*—*The prohibi-*  
25 *tion under subsection (a) with respect to a contract also*  
26 *applies to any subcontracts at any tier entered into under*

1 *the contract and any task orders at any tier issued under*  
2 *the contract.*

3 (d) *DEFINITIONS.—In this section:*

4 (1) *The term “Agreement on Subsidies and*  
5 *Countervailing Measures” means the agreement de-*  
6 *scribed in section 101(d)(12) of the Uruguay Round*  
7 *Agreements Act (19 U.S.C. 3501(d)(12)).*

8 (2) *The term “foreign person” means—*

9 (A) *an individual who is not a United*  
10 *States person or an alien lawfully admitted for*  
11 *permanent residence into the United States; or*

12 (B) *a corporation, partnership, or other*  
13 *nongovernmental entity which is not a United*  
14 *States person.*

15 (3) *The term “United States person” means—*

16 (A) *a natural person who is a citizen of the*  
17 *United States or who owes permanent allegiance*  
18 *to the United States; and*

19 (B) *a corporation or other legal entity*  
20 *which is organized under the laws of the United*  
21 *States, any State or territory thereof, or the Dis-*  
22 *trict of Columbia, if natural persons described in*  
23 *subparagraph (A) own, directly or indirectly,*  
24 *more than 50 percent of the outstanding capital*

1           *stock or other beneficial interest in such legal en-*  
2           *tity.*

3           *(e) APPLICABILITY.—*

4           *(1) PROGRAMS WITH MILESTONE B APPROVAL*  
5           *NOT COVERED.—The prohibition under subsection (a)*  
6           *shall not apply to any contract under a major defense*  
7           *acquisition program that has received Milestone B*  
8           *approval as of the date of the enactment of this Act.*

9           *(2) DEFINITIONS.—In this subsection:*

10           *(A) The term “major defense acquisition*  
11           *program” means a Department of Defense acqui-*  
12           *sition program that is a major defense acquisi-*  
13           *tion program for purposes of section 2430 of title*  
14           *10, United States Code.*

15           *(B) The term “Milestone B approval” has*  
16           *the meaning provided that term in section*  
17           *2366(e)(7) of such title.*

18   **SEC. 805. PROHIBITION ON PROCUREMENT FROM COMPA-**  
19           **NIES IN VIOLATION OF THE IRAN AND SYRIA**  
20           **NONPROLIFERATION ACT.**

21           *(a) PROHIBITION.—Except as provided in subsection*  
22           *(c), funds appropriated or otherwise available to the De-*  
23           *partment of Defense may not be used for the procurement*  
24           *of goods or services from a source subject to sanctions for*  
25           *violations of the Iran and Syria Nonproliferation Act (Pub-*

1 *lic Law 106–178; 50 U.S.C. 1701 note) or from any source*  
2 *that is owned or controlled by a sanctioned entity.*

3 (b) *CONTRACTS COVERED.*—*This section applies to*  
4 *prime contracts and subcontracts at any tier under such*  
5 *contracts.*

6 (c) *EXCEPTION.*—

7 (1) *IN GENERAL.*—*Subsection (a) does not apply*  
8 *in any case in which the Secretary of Defense deter-*  
9 *mines that there is a compelling reason to solicit an*  
10 *offer from, award a contract or subcontract to, or ex-*  
11 *tend a contract or subcontract with a source described*  
12 *in that subsection. The exception in the preceding sen-*  
13 *tence may not be used if the same or reasonably*  
14 *equivalent products or services are available from a*  
15 *non-sanctioned source.*

16 (2) *NOTICE TO CONGRESS.*—*The Secretary shall*  
17 *transmit to the Committees on Armed Services of the*  
18 *Senate and the House of Representatives a notice of*  
19 *any determination made under paragraph (1) at the*  
20 *time of the determination.*

21 **SEC. 806. LEAD SYSTEMS INTEGRATORS.**

22 (a) *PROHIBITION ON THE USE OF LEAD SYSTEMS IN-*  
23 *TEGRATORS.*—*The Department of Defense may not award*  
24 *any new contracts for lead systems integrator functions in*  
25 *the acquisition of major systems, effective October 1, 2011.*

1       **(b) PLAN FOR ACQUISITION WORKFORCE.—**

2               **(1) REQUIREMENT.—***The Secretary of Defense*  
3 *shall develop a plan for establishing the appropriate*  
4 *size of the acquisition workforce to accomplish inher-*  
5 *ently governmental functions related to acquisition of*  
6 *major weapons systems. In developing the plan, the*  
7 *Secretary shall, at a minimum—*

8               **(A)** *identify the positions and skills, due to*  
9 *their inherently governmental nature, that*  
10 *should be supplied by Department of Defense*  
11 *personnel versus contractor personnel;*

12               **(B)** *identify the gaps in skills that exist*  
13 *within the current defense workforce;*

14               **(C)** *create a plan for closing such skill gaps;*

15               **(D)** *create a plan for obtaining a proper*  
16 *match between the level of acquisition expertise*  
17 *within each acquisition program office and the*  
18 *level of risk associated with the acquisition pro-*  
19 *gram that the program office is expected to man-*  
20 *age; and*

21               **(E)** *identify the additional personnel or hir-*  
22 *ing authorities that may be required on an in-*  
23 *terim basis, until such time as the Department*  
24 *of Defense has sufficient government personnel to*

1           *fill the positions designated as inherently govern-*  
2           *mental.*

3           (2) *DEADLINE.*—*The plan described in para-*  
4           *graph (1) shall be submitted to the congressional de-*  
5           *fense committees no later than October 1, 2008.*

6           (c) *EXCEPTION FOR CONTRACTS FOR OTHER MANAGE-*  
7           *MENT SERVICES.*—*The Department of Defense may con-*  
8           *tinue to award contracts for the procurement of services the*  
9           *primary purpose of which is to perform acquisition support*  
10          *functions with respect to the development or production of*  
11          *a major system, if the following conditions are met:*

12           (1) *The contractor may not perform inherently*  
13          *governmental functions, as may be prescribed by the*  
14          *Secretary of Defense, including—*

15                   (A) *determining courses of action to be*  
16                   *taken in the best interest of the government; and*

17                   (B) *determining best technical performance*  
18                   *for the warfighter; and*

19           (2) *a prime contractor for such a contract may*  
20          *not award a subcontract to an entity owned in whole*  
21          *or in part by the prime contractor.*

22          (d) *DEFINITIONS.*—*In this section:*

23           (1) *LEAD SYSTEMS INTEGRATOR.*—*The term*  
24          *“lead systems integrator” means—*

1           (A) a prime contractor for the development  
2 or production of a major system, if the prime  
3 contractor is not expected at the time of award  
4 to perform a substantial portion of the work on  
5 the system and the major subsystems; or

6           (B) a prime contractor under a contract for  
7 the procurement of services the primary purpose  
8 of which is to perform acquisition functions  
9 closely associated with inherently governmental  
10 functions with respect to the development or pro-  
11 duction of a major system.

12           (2) MAJOR SYSTEM.—The term “major system”  
13 has the meaning given such term in section 2302d of  
14 title 10, United States Code.

15 **SEC. 807. PROCUREMENT GOAL FOR NATIVE HAWAIIAN-**  
16 **SERVING INSTITUTIONS AND ALASKA NA-**  
17 **TIVE-SERVING INSTITUTIONS.**

18           Section 2323 of title 10, United States Code, is amend-  
19 ed—

20           (1) in subsection (a)(1)—

21               (A) by striking “and” at the end of sub-  
22 paragraph (C);

23               (B) by striking the period at the end of sub-  
24 paragraph (D) and inserting “; and”; and

1           (C) by adding at the end the following new  
2           subparagraph:

3           “(E) Native Hawaiian-serving institutions  
4           and Alaska Native-serving institutions (as de-  
5           fined in section 317 of the Higher Education Act  
6           of 1965).”;

7           (2) in subsection (a)(2) by inserting after “His-  
8           panic-serving institutions,” the following: “Native  
9           Hawaiian-serving institutions and Alaska Native-  
10          serving institutions,”;

11          (3) in subsection (c)(1), by inserting after “His-  
12          panic-serving institutions,” the following: “Native  
13          Hawaiian-serving institutions and Alaska Native-  
14          serving institutions,”; and

15          (4) in subsection (c)(3), by inserting after “His-  
16          panic-serving institutions,” the following: “to Native  
17          Hawaiian-serving institutions and Alaska Native  
18          -serving institutions,”.

19 **SEC. 808. REINVESTMENT IN DOMESTIC SOURCES OF STRA-**  
20 **TEGIC MATERIALS.**

21       (a) **REINVESTMENT REQUIRED.**—

22           (1) **PROPOSAL EVALUATION CRITERIA.**—The  
23           Under Secretary of Defense for Acquisition, Tech-  
24           nology, and Logistics shall issue guidance requiring  
25           that all Department of Defense solicitations for pro-

1        *posals for major systems that could contain strategic*  
2        *materials clearly specify that an evaluation criteria*  
3        *for such proposals will be the extent to which each*  
4        *prospective strategic material supplier demonstrates a*  
5        *record of sustained reinvestment in processes, infra-*  
6        *structure, workforce training, and facilities for domes-*  
7        *tic production of such a material, as well as a plan*  
8        *for continued reinvestment.*

9            (2) *FLOW DOWN REQUIRED.*—*Guidance issued*  
10        *under this subsection shall require that the evaluation*  
11        *criteria be incorporated by reference into any sollicita-*  
12        *tion for sources of strategic materials at any contrac-*  
13        *tual tier.*

14        (b) *REVIEW AND REPORT.*—

15            (1) *REVIEW REQUIRED.*—*The Strategic Mate-*  
16        *rials Protection Board, established under section 187*  
17        *of title 10, United States Code, shall, on an annual*  
18        *basis—*

19            (A) *review the number of proposals sub-*  
20        *mitted for major systems that could contain stra-*  
21        *tegic materials; and*

22            (B) *as part of the Board's duties under*  
23        *paragraph (2) and (3) of section 187(b) of such*  
24        *title, determine the following:*

1                   (i) *The percentage of proposals that*  
2                   *were found to be responsive to the reinvest-*  
3                   *ment evaluation criteria required under*  
4                   *subsection (a).*

5                   (ii) *The percentage of responsive pro-*  
6                   *posals that were awarded.*

7                   (iii) *The percentage of non-responsive*  
8                   *proposals that were awarded.*

9                   (iv) *The long-term viability of strategic*  
10                  *materials suppliers, based upon the past*  
11                  *and future reinvestment planned by the*  
12                  *suppliers.*

13               (2) *INCLUSION IN BOARD REPORT.—The Strategic*  
14               *Materials Protection Board shall include its findings in the*  
15               *next report submitted to Congress under section 187(d) of*  
16               *title 10, United States Code, after the date of the enactment*  
17               *of this Act. The Board shall include the findings of subse-*  
18               *quent annual reviews in subsequent reports submitted under*  
19               *such section.*

20               (c) *DEFINITIONS.—In this section:*

21                   (1) *STRATEGIC MATERIAL.—The term “strategic*  
22                   *material” means—*

23                           (A) *a material designated as critical to na-*  
24                           *tional security by the Strategic Materials Protec-*

1            *tion Board in accordance with the section 187 of*  
2            *title 10, United States Code;*

3            *(B) a specialty metal as defined by section*  
4            *2533b of title 10, United States Code; or*

5            *(C) steel.*

6            *(2) MAJOR SYSTEM.—The term “major system”*  
7            *has the meaning provided in section 2302 of title 10,*  
8            *United States Code.*

9    **SEC. 809. CLARIFICATION OF THE PROTECTION OF STRA-**  
10            **TEGIC MATERIALS CRITICAL TO NATIONAL**  
11            **SECURITY.**

12            *(a) DEFINITION OF REQUIRED FORM.—Subsection (b)*  
13            *of section 2533b of title 10, United States Code, is amended*  
14            *by striking the period at the end and inserting the fol-*  
15            *lowing: “and the term ‘required form’ means mill products,*  
16            *such as slab, plate and sheet, in the required form necessary.*  
17            *The term ‘required form’ shall not apply to end items or*  
18            *to their components at any tier.”.*

19            *(b) APPLICABILITY TO PROCUREMENTS OF COMMER-*  
20            *CIAL ITEMS.—Subsection (h) of section 2533b of title 10,*  
21            *United States Code, is amended by inserting “or 35” after*  
22            *“This section applies to procurements of commercial items*  
23            *notwithstanding section 34.”*

24            *(c) REVISION OF DOMESTIC NON-AVAILABILITY DE-*  
25            *TERMINATIONS.—Any Domestic Non-Availability Deter-*

1 *mination made by the Department of Defense between De-*  
2 *cember 6, 2006 and the date 60 days after the date of the*  
3 *enactment of this Act shall be reviewed and amended, if*  
4 *necessary, to comply with subsection (a) and (b).*

5 *(d) EFFECTIVE DATE.—The amendments made by*  
6 *subsections (a) and (b) shall apply with respect to contracts*  
7 *entered into 60 days after the date of the enactment of this*  
8 *Act.*

9 **SEC. 810. DEBARMENT OF CONTRACTORS CONVICTED OF**  
10 **CRIMINAL VIOLATIONS OF THE ARMS EXPORT**  
11 **CONTROL ACT.**

12 *(a) DEBARMENT.—Except as provided in subsection*  
13 *(b), if the Secretary of Defense determines that a contractor*  
14 *or prospective contractor has been convicted of a criminal*  
15 *violation of any provision of the Arms Export Control Act*  
16 *(22 U.S.C. 2751 et seq.), the Secretary shall debar such con-*  
17 *tractor or prospective contractor from contracting with the*  
18 *Department of Defense for a period not to exceed 5 years,*  
19 *not later than 90 days after determining that the contractor*  
20 *has been so convicted.*

21 *(b) EXCEPTION.—*

22 *(1) IN GENERAL.—Subsection (a) does not apply*  
23 *in any case in which the Secretary determines that*  
24 *there is a compelling reason to solicit an offer from,*  
25 *award a contract to, extend a contract with, or ap-*

1        *prove a subcontract with such contractor or prospec-*  
2        *tive contractor.*

3            (2) *PUBLIC NOTICE.*—*The Secretary shall trans-*  
4        *mit to the Administrator of General Services a notice*  
5        *of any determination made under paragraph (1) at*  
6        *the time of the determination. The Administrator of*  
7        *General Services shall maintain each such notice in*  
8        *a file available for public inspection.*

9            (c) *DEFINITION.*—*In this section, the term “debar” has*  
10       *the meaning given that term by section 2393(c) of title 10,*  
11       *United States Code.*

12        ***Subtitle B—Amendments to General***  
13        ***Contracting Authorities, Proce-***  
14        ***dures, and Limitations***

15        ***SEC. 811. CHANGE TO THE TRUTH IN NEGOTIATIONS ACT***

16                    ***EXCEPTION FOR THE ACQUISITION OF A COM-***  
17                    ***MERCIAL ITEM.***

18        *Section 2306a(b) of title 10, United States Code, is*  
19        *amended by adding at the end the following new paragraph:*

20            “(4) *CERTAIN SOLE SOURCE PROCUREMENTS.*—  
21        *The exception in paragraph (1)(C) does not apply in*  
22        *the case of a contract, subcontract, or modification of*  
23        *a contract or subcontract that is for a commercial*  
24        *item to be procured using procedures other than com-*  
25        *petitive procedures—*

1           “(A) if the contracting officer determines  
2           that commercial sales data are insufficient to de-  
3           termine a fair and reasonable price; and

4           “(B) if the contractor’s business segment has  
5           submitted certified cost or pricing data in con-  
6           nection with at least one contract award or con-  
7           tract modification.”.

8 **SEC. 812. CLARIFICATION OF SUBMISSION OF COST OR**  
9           **PRICING DATA ON NONCOMMERCIAL MODI-**  
10          **FICATIONS OF COMMERCIAL ITEMS.**

11          (a) *MEASUREMENT OF PERCENTAGE AT CONTRACT*  
12 *AWARD.*—Section 2306a(b)(3)(A) of title 10, United States  
13 *Code, is amended by inserting after “total price of the con-*  
14 *tract” the following: “(at the time of contract award)”.*

15          (b) *ADJUSTMENT OF DOLLAR AMOUNT.*—Section  
16 *2306a(b)(3)(A) of such title is amended by striking*  
17 *“\$500,000” and inserting “\$650,000”.*

18 **SEC. 813. PLAN FOR RESTRICTING GOVERNMENT-UNIQUE**  
19          **CONTRACT CLAUSES ON COMMERCIAL CON-**  
20          **TRACTS.**

21          (a) *PLAN.*—The Under Secretary of Defense for Acqui-  
22 *sition, Technology, and Logistics shall develop and imple-*  
23 *ment a plan to minimize the number of Government-unique*  
24 *contract clauses used in commercial contracts by restricting*  
25 *the clauses to the following:*

1           (1) *Government-unique clauses authorized by*  
2           *law or regulation.*

3           (2) *Any additional clauses that are relevant and*  
4           *necessary to a specific contract.*

5           **(b) COMMERCIAL CONTRACT.—***In this section:*

6           (1) *The term “commercial contract” means a*  
7           *contract awarded by the Federal Government for the*  
8           *procurement of a commercial item.*

9           (2) *The term “commercial item” has the mean-*  
10          *ing provided by section 4(12) of the Office of Federal*  
11          *Procurement Policy Act (41 U.S.C. 403(12)).*

12       **SEC. 814. EXTENSION OF AUTHORITY FOR USE OF SIM-**  
13                               **PLIFIED ACQUISITION PROCEDURES FOR**  
14                               **CERTAIN COMMERCIAL ITEMS.**

15          *Section 4202(e) of the Clinger-Cohen Act of 1996 (divi-*  
16          *sion D of Public Law 104–106; 110 Stat. 652; 10 U.S.C.*  
17          *2304 note) is amended by striking “January 1, 2008” and*  
18          *inserting “January 1, 2010”.*

19       **SEC. 815. EXTENSION OF AUTHORITY TO FILL SHORTAGE**  
20                               **CATEGORY POSITIONS FOR CERTAIN FED-**  
21                               **ERAL ACQUISITION POSITIONS.**

22          *Section 1413(b) of the National Defense Authorization*  
23          *Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat.*  
24          *1665) is amended by striking “September 30, 2007” and*  
25          *inserting “September 30, 2012”.*

1 **SEC. 816. EXTENSION OF AUTHORITY TO CARRY OUT CER-**  
2 **TAIN PROTOTYPE PROJECTS.**

3 *Section 845(i) of the National Defense Authorization*  
4 *Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended*  
5 *by striking “September 30, 2008” and inserting “September*  
6 *30, 2013”.*

7 **SEC. 817. CLARIFICATION OF LIMITED ACQUISITION AU-**  
8 **THORITY FOR SPECIAL OPERATIONS COM-**  
9 **MAND.**

10 *Section 167(e)(4) of title 10, United States Code, is*  
11 *amended—*

12 *(1) by redesignating subparagraph (C) as sub-*  
13 *paragraph (D); and*

14 *(2) by inserting after subparagraph (B) the fol-*  
15 *lowing new subparagraph:*

16 *“(C)(i) The staff of the commander shall include an*  
17 *acquisition executive, who shall be responsible for the same*  
18 *functions and duties, and have the same authorities, as the*  
19 *service acquisition executives for the military departments.*

20 *“(ii) The staff of the commander shall include a senior*  
21 *procurement executive, who shall be responsible for pro-*  
22 *viding management direction of the procurement system of*  
23 *the command, advising and assisting the commander and*  
24 *other officials of the combatant command to ensure that ac-*  
25 *tivities and missions of the command are achieved through*  
26 *the management of the procurement system of the command,*

1 *and otherwise being responsible for the same functions and*  
2 *duties, and having the same authorities, as the senior pro-*  
3 *curement executive for the military departments.*

4       “(iii) *The commander of the special operations com-*  
5 *mand may designate the same individual to the position*  
6 *of acquisition executive and the position of senior procure-*  
7 *ment executive.*

8       “(iv) *Any reference to service acquisition executive or*  
9 *senior procurement executive of a military department in*  
10 *any Federal law, Executive order, or regulation is deemed*  
11 *to include the acquisition executive or senior procurement*  
12 *executive of the special operations command unless such*  
13 *law, order, or regulation explicitly excludes such positions*  
14 *by reference to this section.”.*

15 **SEC. 818. EXEMPTION OF SPECIAL OPERATIONS COMMAND**  
16 **FROM CERTAIN REQUIREMENTS FOR CON-**  
17 **TRACTS RELATING TO VESSELS, AIRCRAFT,**  
18 **AND COMBAT VEHICLES.**

19       *Subsection (e) of section 167 of title 10, United States*  
20 *Code, is amended by adding at the end the following new*  
21 *paragraph:*

22       “(5) *The commander of the command, in carrying out*  
23 *his functions under this subsection, may carry out such*  
24 *functions with respect to a contract covered by section 2401*

1 *of this title without regard to subsection (b) of that section*  
2 *if—*

3           “(A) *the contract is for a term of not more than*  
4           *5 years (including all options to renew or extend the*  
5           *contract); and*

6           “(B) *funds are available and obligated for the*  
7           *full cost of the contract (including termination costs)*  
8           *on or before the date the contract is awarded.”.*

9 **SEC. 819. PROVISION OF AUTHORITY TO MAINTAIN EQUIP-**  
10                           **MENT TO UNIFIED COMBATANT COMMAND**  
11                           **FOR JOINT WARFIGHTING.**

12           *Section 167a of title 10, United States Code, is amend-*  
13 *ed—*

14           (1) *in subsection (a), by striking “and acquire”*  
15           *and inserting “, acquire, and maintain”;*

16           (2) *by redesignating subsection (f) as subsection*  
17           *(g); and*

18           (3) *by inserting after subsection (e) the following*  
19           *new subsection:*

20           “(f) **LIMITATION ON AUTHORITY TO MAINTAIN EQUIP-**  
21 **MENT.**—*The authority delegated under subsection (a) to*  
22 *maintain equipment is subject to the availability of funds*  
23 *authorized and appropriated specifically for that purpose.”.*

1 **SEC. 820. MARKET RESEARCH.**

2 (a) *MARKET RESEARCH.*—Subsection (c) of section  
3 2377 of title 10, United States Code, is amended as follows:

4 (1) *The subsection heading is amended by strik-*  
5 *ing “PRELIMINARY”.*

6 (2) *Paragraph (1) is amended—*

7 (A) *by striking “research appropriate to the*  
8 *circumstances—” and inserting “research—”;*

9 (B) *by striking “and” at the end of sub-*  
10 *paragraph (A);*

11 (C) *by striking the period at the end of sub-*  
12 *paragraph (B) and inserting “; and”; and*

13 (D) *by adding at the end the following:*

14 “(C) *before awarding a task order in excess of*  
15 *the simplified acquisition threshold.”.*

16 (3) *The subsection is amended by adding at the*  
17 *end the following new paragraphs:*

18 “(4) *The Secretary of Defense shall ensure that*  
19 *market research under this subsection includes use of*  
20 *an appropriately tailored search engine to access the*  
21 *world wide web in order to identify readily available*  
22 *capabilities in the commercial market place.*

23 “(5) *For programs with a value in excess of*  
24 *\$1,000,000, the contracting officer must certify that*  
25 *market research was performed before award of the*  
26 *contract or task order.”.*

1       (b) *EVALUATION OF CERTAIN INCENTIVES.*—The  
2 *Under Secretary of Defense for Acquisition, Technology,*  
3 *and Logistics shall evaluate options for preferences or eco-*  
4 *nomics incentives for contractors that maximize the use of*  
5 *readily available and proven capabilities in the commercial*  
6 *market place.*

7                   ***Subtitle C—Accountability in***  
8                   ***Contracting***

9 ***SEC. 821. LIMITATION ON LENGTH OF NONCOMPETITIVE***  
10 ***CONTRACTS.***

11       (a) *REVISION OF FAR.*—Not later than one year after  
12 *the date of the enactment of this Act, the Federal Acquisi-*  
13 *tion Regulation shall be revised to restrict the contract pe-*  
14 *riod of any contract described in subsection (c) to the min-*  
15 *imum contract period necessary—*

16               (1) *to meet the urgent and compelling require-*  
17 *ments of the work to be performed under the contract;*  
18 *and*

19               (2) *to enter into another contract for the re-*  
20 *quired goods or services through the use of competitive*  
21 *procedures.*

22       (b) *CONTRACT PERIOD.*—The regulations promulgated  
23 *under subsection (a) shall require the contract period to not*  
24 *exceed one year, unless the head of the executive agency con-*

1 *cerned determines that the Government would be seriously*  
2 *injured by the limitation on the contract period.*

3 (c) *COVERED CONTRACTS.*—*This section applies to*  
4 *any contract in an amount greater than \$1,000,000 entered*  
5 *into by an executive agency using procedures other than*  
6 *competitive procedures pursuant to the exception provided*  
7 *in section 303(c)(2) of the Federal Property and Adminis-*  
8 *trative Services Act of 1949 (41 U.S.C. 253(c)(2)) or section*  
9 *2304(c)(2) of title 10, United States Code.*

10 (d) *DEFINITIONS.*—*In this section:*

11 (1) *The term “executive agency” has the mean-*  
12 *ing provided in section 4(1) of the Office of Federal*  
13 *Procurement Policy Act (41 U.S.C. 403(1)).*

14 (2) *The term “head of the executive agency”*  
15 *means the head of an executive agency except that, in*  
16 *the case of the Department of Defense, the term*  
17 *means—*

18 (A) *in the case of a military department,*  
19 *the Secretary of the military department;*

20 (B) *in the case of a Defense Agency, the*  
21 *head of the Defense Agency; and*

22 (C) *in the case of any part of the Depart-*  
23 *ment of Defense other than a military depart-*  
24 *ment or Defense Agency, the Under Secretary of*

1           *Defense for Acquisition, Technology, and Logis-*  
2           *tics.*

3 **SEC. 822. MAXIMIZING FIXED-PRICE PROCUREMENT CON-**  
4           **TRACTS.**

5           *(a) PLANS REQUIRED.—Subject to subsection (c), the*  
6 *head of each executive agency covered by title III of the Fed-*  
7 *eral Property and Administrative Services Act of 1949 (41*  
8 *U.S.C. 251 et seq.) or, in the case of the Department of*  
9 *Defense, the Under Secretary of Defense for Acquisition,*  
10 *Technology, and Logistics, shall develop and implement a*  
11 *plan to maximize, to the fullest extent practicable, the use*  
12 *of fixed-price type contracts for the procurement of goods*  
13 *and services by the agency or department concerned. The*  
14 *plan shall contain measurable goals and shall be completed*  
15 *and submitted to the Committee on Oversight and Govern-*  
16 *ment Reform of the House of Representatives, the Com-*  
17 *mittee on Homeland Security and Governmental Affairs of*  
18 *the Senate, and the Committees on Appropriations of the*  
19 *House of Representatives and the Senate and, in the case*  
20 *of the Department of Defense and the Department of En-*  
21 *ergy, the Committees on Armed Services of the Senate and*  
22 *the House of Representatives, with a copy provided to the*  
23 *Comptroller General, not later than 1 year after the date*  
24 *of the enactment of this Act.*

1       (b) *COMPTROLLER GENERAL REVIEW.*—The Com-  
2 *troller General shall review the plans provided under sub-*  
3 *section (a) and submit a report to Congress on the plans*  
4 *not later than 18 months after the date of the enactment*  
5 *of this Act.*

6       (c) *REQUIREMENT LIMITED TO CERTAIN AGENCIES.*—  
7 *The requirement of subsection (a) shall apply only to those*  
8 *agencies that awarded contracts in a total amount of at*  
9 *least \$1,000,000,000 in the fiscal year preceding the fiscal*  
10 *year in which the report is submitted.*

11 **SEC. 823. PUBLIC DISCLOSURE OF JUSTIFICATION AND AP-**  
12 **PROVAL DOCUMENTS FOR NONCOMPETITIVE**  
13 **CONTRACTS.**

14       (a) *CIVILIAN AGENCY CONTRACTS.*—

15           (1) *IN GENERAL.*—Section 303 of the *Federal*  
16 *Property and Administrative Services Act of 1949 (41*  
17 *U.S.C. 253) is amended by adding at the end the fol-*  
18 *lowing new subsection:*

19       “(j)(1)(A) *Except as provided in subparagraph (B), in*  
20 *the case of a procurement permitted by subsection (c), the*  
21 *head of an executive agency shall make publicly available,*  
22 *within 14 days after the award of the contract, the docu-*  
23 *ments containing the justification and approval required*  
24 *by subsection (f)(1) with respect to the procurement.*

1       “(B) *In the case of a procurement permitted by sub-*  
2 *section (c)(2), subparagraph (A) shall be applied by sub-*  
3 *stituting ‘30 days’ for ‘14 days’.*”

4       “(2) *The documents shall be made available on the*  
5 *website of the agency and through the Federal Procurement*  
6 *Data System.*”

7       “(3) *This subsection does not require the public avail-*  
8 *ability of information that is exempt from public disclosure*  
9 *under section 552(b) of title 5, United States Code.”.*”

10           (2) *CONFORMING AMENDMENT.—Section 303(f)*  
11 *of such Act is amended—*

12                   (A) *by striking paragraph (4); and*

13                   (B) *by redesignating paragraph (5) as*  
14 *paragraph (4).*

15           (b) *DEFENSE AGENCY CONTRACTS.—*

16                   (1) *IN GENERAL.—Section 2304 of title 10,*  
17 *United States Code, is amended by adding at the end*  
18 *the following new subsection:*

19                           “(l)(1)(A) *Except as provided in subparagraph (B), in*  
20 *the case of a procurement permitted by subsection (c), the*  
21 *head of an agency shall make publicly available, within 14*  
22 *days after the award of the contract, the documents con-*  
23 *taining the justification and approval required by sub-*  
24 *section (f)(1) with respect to the procurement.*”

1       “(B) In the case of a procurement permitted by sub-  
2 section (c)(2), subparagraph (A) shall be applied by sub-  
3 stituting ‘30 days’ for ‘14 days’.

4       “(2) The documents shall be made available on the  
5 website of the agency and through the Federal Procurement  
6 Data System.

7       “(3) This subsection does not require the public avail-  
8 ability of information that is exempt from public disclosure  
9 under section 552(b) of title 5.”.

10           (2) CONFORMING AMENDMENT.—Section 2304(f)  
11 of such title is amended—

12                   (A) by striking paragraph (4); and

13                   (B) by redesignating paragraphs (5) and  
14                   (6) as paragraphs (4) and (5), respectively.

15 **SEC. 824. DISCLOSURE OF GOVERNMENT CONTRACTOR**  
16 **AUDIT FINDINGS.**

17       (a) QUARTERLY REPORT TO CONGRESS.—

18           (1) REQUIREMENT.—The head of each Federal  
19 agency or department or, in the case of the Depart-  
20 ment of Defense, the Under Secretary of Defense for  
21 Acquisition, Technology, and Logistics, shall submit  
22 to the chairman and ranking member of each com-  
23 mittee specified in paragraph (2) on a quarterly basis  
24 a report that includes the following:

1           (A) *A list of completed audits performed by*  
2 *such agency or department issued during the ap-*  
3 *plicable quarter that describe contractor costs in*  
4 *excess of \$10,000,000 that have been identified as*  
5 *unjustified, unsupported, questioned, or unrea-*  
6 *sonable under any contract, task or delivery*  
7 *order, or subcontract.*

8           (B) *The specific amounts of costs identified*  
9 *as unjustified, unsupported, questioned, or un-*  
10 *reasonable and the percentage of their total value*  
11 *of the contract, task or delivery order, or sub-*  
12 *contract.*

13           (C) *A list of completed audits performed by*  
14 *such agency or department issued during the ap-*  
15 *plicable quarter that identify material defi-*  
16 *ciencies in the performance of any contractor or*  
17 *in any business system of any contractor under*  
18 *any contract, task or delivery order, or sub-*  
19 *contract.*

20           (2) *COMMITTEES.—The report described in para-*  
21 *graph (1) shall be submitted to—*

22           (A) *the Committee on Oversight and Gov-*  
23 *ernment Reform of the House of Representatives;*

24           (B) *the Committee on Homeland Security*  
25 *and Governmental Affairs of the Senate;*

1           (C) *the Committees on Appropriations of*  
2           *the House of Representatives and the Senate;*

3           (D) *in the case of reports from the Depart-*  
4           *ment of Defense or the Department of Energy,*  
5           *the Committees on Armed Services of the Senate*  
6           *and the House of Representatives; and*

7           (E) *the committees of primary jurisdiction*  
8           *over the agency or department submitting the re-*  
9           *port.*

10          (3) *EXCEPTION.—Paragraph (1) shall not apply*  
11          *to an agency or department with respect to a cal-*  
12          *endar quarter if no audits described in paragraph (1)*  
13          *were issued during that quarter.*

14          (b) *SUBMISSION OF INDIVIDUAL AUDITS.—*

15           (1) *REQUIREMENT.—The head of each Federal*  
16           *agency or department shall provide, within 14 days*  
17           *after a request in writing by the chairman or ranking*  
18           *member of any committee listed in paragraph (2), a*  
19           *full and unredacted copy of any audit described in*  
20           *subsection (a)(1). Such copy shall include an identi-*  
21           *fication of information in the audit exempt from pub-*  
22           *lic disclosure under section 552(b) of title 5, United*  
23           *States Code.*

24           (2) *COMMITTEES.—The committees listed in this*  
25           *paragraph are the following:*

1           (A) *The Committee on Oversight and Gov-*  
2           *ernment Reform of the House of Representatives.*

3           (B) *The Committee on Homeland Security*  
4           *and Governmental Affairs of the Senate.*

5           (C) *The Committees on Appropriations of*  
6           *the House of Representatives and the Senate.*

7           (D) *In the case of the Department of De-*  
8           *fense or the Department of Energy, the Commit-*  
9           *tees on Armed Services of the Senate and House*  
10          *of Representatives.*

11          (E) *The committees of primary jurisdiction*  
12          *over the agency or department to which the re-*  
13          *quest is made.*

14 **SEC. 825. STUDY OF ACQUISITION WORKFORCE.**

15          (a) *REQUIREMENT FOR STUDY.*—*The Administrator*  
16          *for Federal Procurement Policy shall conduct a study of*  
17          *the composition, scope, and functions of the Government-*  
18          *wide acquisition workforce and develop a comprehensive*  
19          *definition of, and method of measuring the size of, such*  
20          *workforce.*

21          (b) *REPORT.*—*Not later than 1 year after the date of*  
22          *the enactment of this Act, the Administrator shall submit*  
23          *to the relevant congressional committees a report on the re-*  
24          *sults of the study required by subsection (a), with such find-*

1 *ings and recommendations as the Administrator determines*  
2 *appropriate.*

3 **SEC. 826. REPORT TO CONGRESS.**

4       (a) *REPORT.*—Not later than 180 days after the date  
5 *of the enactment of this Act, the Director of the Office of*  
6 *Government Ethics shall submit a report to Congress that*  
7 *contains the Director’s recommendations on requiring Gov-*  
8 *ernment contractors that advise one or more Federal agen-*  
9 *cies on procurement policy, and requiring federally funded*  
10 *research and development centers, to comply with restric-*  
11 *tions relating to personal financial interests, such as those*  
12 *that apply to Federal employees.*

13       (b) *DEFINITION.*—*In this section:*

14           (1) *GOVERNMENT CONTRACTOR.*—*The term*  
15 *“Government contractor” means any person (other*  
16 *than a Federal agency) with which a Federal agency*  
17 *has entered into a contract to acquire goods or serv-*  
18 *ices.*

19           (2) *FEDERAL AGENCY.*—*The term “Federal agen-*  
20 *cy” means—*

21               (A) *any executive department or inde-*  
22 *pendent establishment in the executive branch of*  
23 *the Government, including any wholly owned*  
24 *Government corporation; and*

1           (B) any establishment in the legislative or  
2           judicial branch of the Government (except the  
3           Senate, the House of Representatives, and the  
4           Architect of the Capitol and any activities under  
5           the Architect's direction).

6           (3) *FEDERALLY FUNDED RESEARCH AND DEVEL-*  
7           *OPMENT CENTER.*—The term “federally funded re-  
8           search and development center” means a federally  
9           funded research and development center as identified  
10          by the National Science Foundation in accordance  
11          with the Federal Acquisition Regulation.

12        ***Subtitle D—Contracts Relating to***  
13        ***Iraq and Afghanistan***

14        ***SEC. 831. MEMORANDUM OF UNDERSTANDING ON MATTERS***  
15        ***RELATING TO CONTRACTING.***

16        (a) *MEMORANDUM OF UNDERSTANDING REQUIRED.*—  
17        *The Secretary of Defense, the Secretary of State, and the*  
18        *Administrator of the United States Agency for Inter-*  
19        *national Development shall enter into a memorandum of*  
20        *understanding regarding matters relating to contracting for*  
21        *contracts in Iraq or Afghanistan.*

22        (b) *RESTRICTIONS ON CONTRACTING UNTIL MEMO-*  
23        *RANDUM SIGNED.*—

24           (1) *RESTRICTION.*—*Except as provided in para-*  
25        *graph (2), on and after January 1, 2008, no contracts*

1 *in Iraq or Afghanistan may be awarded by the De-*  
2 *partment of Defense, the Department of State, or the*  
3 *United States Agency for International Development*  
4 *(A) unless the memorandum required by subsection*  
5 *(a) has been signed by the Secretary of Defense, the*  
6 *Secretary of State, or the Administrator of the United*  
7 *States Agency for International Development, respec-*  
8 *tively; and (B) the department or agency concerned*  
9 *has initiated use of the common database identified*  
10 *in such memorandum to track contracts in Iraq or*  
11 *Afghanistan.*

12 (2) *WAIVER.—*

13 (A) *The restriction in paragraph (1) may*  
14 *be waived by the President for a period of 30*  
15 *days if the President submits to the relevant*  
16 *committees of Congress a notification of the*  
17 *waiver and the reasons for the waiver at least 15*  
18 *days before issuing the waiver.*

19 (B) *Such waiver may be renewed for any*  
20 *number of additional 30-day periods if the*  
21 *President submits to the relevant committees of*  
22 *Congress a notification of the renewal of the*  
23 *waiver and the reasons for renewing the waiver*  
24 *at least 15 days before issuing the renewal of the*  
25 *waiver.*

1           (c) *MATTERS COVERED.*—*The memorandum of under-*  
2 *standing required by subsection (a) shall address, at a min-*  
3 *imum, the following:*

4           (1) *Identification of the major categories of con-*  
5 *tracts in Iraq or Afghanistan being awarded by the*  
6 *Department of Defense, the Department of State, or*  
7 *the United States Agency for International Develop-*  
8 *ment.*

9           (2) *Identification of the roles and responsibilities*  
10 *of each department or agency for matters relating to*  
11 *contracting for contracts in Iraq or Afghanistan.*

12           (3) *Responsibility for authorizing the carrying of*  
13 *weapons in performance of such contracts.*

14           (4) *Responsibility for establishing minimum*  
15 *qualifications, including background checks, for per-*  
16 *sonnel carrying weapons in performance of such con-*  
17 *tracts.*

18           (5) *Responsibility for setting rules of engagement*  
19 *for personnel carrying weapons in performance of*  
20 *such contracts.*

21           (6) *Responsibility for establishing procedures for,*  
22 *and the coordination of, movement of contractor per-*  
23 *sonnel in Iraq or Afghanistan.*

24           (7) *Identification of a common database that*  
25 *will serve as a repository of information on all con-*

1        *tracts in Iraq or Afghanistan, and agreement on the*  
2        *elements to be included in the database, including, at*  
3        *a minimum, with respect to each contract—*

4                *(A) a brief description of the contract;*

5                *(B) the value of the contract;*

6                *(C) the amount of cost ascribed to overhead*  
7        *for the contract;*

8                *(D) the amount of cost ascribed to security*  
9        *for the contract;*

10               *(E) the total number of personnel employed*  
11        *on the contract; and*

12               *(F) the total number of personnel employed*  
13        *on the contract who provide security in Iraq or*  
14        *Afghanistan.*

15               *(8) Responsibility for maintaining and updating*  
16        *information in the common database identified under*  
17        *paragraph (7).*

18               *(9) Responsibility for the collection and referral*  
19        *to the appropriate Government agency of any infor-*  
20        *mation relating to offenses under chapter 47 of title*  
21        *10, United States Code (the Uniform Code of Military*  
22        *Justice), or chapter 212 of title 18, United States*  
23        *Code (commonly referred to as the Military*  
24        *Extraterritorial Jurisdiction Act).*

1       (d) *COPIES PROVIDED TO CONGRESS.*—Copies of the  
2 memorandum of understanding required by subsection (a)  
3 shall be provided to the relevant committees of Congress  
4 within 30 days after the memorandum is signed.

5 **SEC. 832. COMPTROLLER GENERAL REVIEWS AND REPORTS**  
6                   **ON CONTRACTING IN IRAQ AND AFGHANI-**  
7                   **STAN.**

8       (a) *REVIEWS AND REPORTS REQUIRED.*—

9           (1) *IN GENERAL.*—Every six months, the Comp-  
10 troller General shall review contracts in Iraq or Af-  
11 ghanistan and submit to the relevant committees of  
12 Congress a report on such review.

13           (2) *MATTERS COVERED.*—A report under this  
14 subsection shall cover the following with respect to the  
15 contracts in Iraq or Afghanistan reviewed for the re-  
16 port:

17                   (A) *Total number of contracts awarded dur-*  
18 *ing the period covered by the report.*

19                   (B) *Total number of active contracts.*

20                   (C) *Total value of all contracts awarded*  
21 *during the reporting period.*

22                   (D) *Total value of active contracts.*

23                   (E) *Total number of contractor personnel*  
24 *working on contracts during the reporting pe-*  
25 *riod.*

1           (F) *Total number of contractor personnel*  
2           *who have provided security in Iraq or Afghani-*  
3           *stan for contracts during the reporting period.*

4           (G) *Categories of activities undertaken in*  
5           *reviewed contracts.*

6           (H) *The extent to which such contracts have*  
7           *used competitive procedures.*

8           (I) *The extent to which such contracts have*  
9           *achieved the initial scope of requirements in-*  
10          *cluded in the contracts.*

11          (J) *The effect of costs for security on such*  
12          *contracts and whether contracting for security on*  
13          *such contracts rather than government-provided*  
14          *security is more effective, efficient, and consistent*  
15          *with the United States policy goals.*

16          (K) *Information on any specific contract or*  
17          *class of contracts that the Comptroller General*  
18          *determines raises issues of significant concern.*

19          (3) *SUBMISSION OF REPORTS.—The Comptroller*  
20          *General shall submit an initial report under this sub-*  
21          *section not later than March 1, 2008, and shall sub-*  
22          *mit an updated report every six months thereafter*  
23          *until March 1, 2010.*

24          (b) *ACCESS TO DATABASE ON CONTRACTS.—The Sec-*  
25          *retary of Defense and the Secretary of State shall provide*

1 *full access to the database described in section 831(c)(7) to*  
2 *the Comptroller General for purposes of the reviews carried*  
3 *out under this section.*

4 **SEC. 833. DEFINITIONS.**

5 *In this subtitle:*

6 (1) *MATTERS RELATING TO CONTRACTING.—The*  
7 *term “matters relating to contracting”, with respect*  
8 *to contracts in Iraq and Afghanistan, means all mat-*  
9 *ters relating to awarding, funding, managing, track-*  
10 *ing, monitoring, and providing oversight to contracts*  
11 *and contractor personnel.*

12 (2) *CONTRACTS IN IRAQ OR AFGHANISTAN.—The*  
13 *term “contracts in Iraq and Afghanistan” means a*  
14 *contract with the Department of Defense, the Depart-*  
15 *ment of State, or the United States Agency for Inter-*  
16 *national Development, a subcontract at any tier*  
17 *issued under such a contract, or a task order at any*  
18 *tier issued under such a contract (including a con-*  
19 *tract, subcontract, or task order issued by another*  
20 *Government agency for the Department of Defense,*  
21 *the Department of State, or the United States Agency*  
22 *for International Development), if the contract, sub-*  
23 *contract, or task order involves worked performed in*  
24 *Iraq or Afghanistan for a period longer than 14 days.*

1           (3) *RELEVANT COMMITTEES OF CONGRESS.*—The  
2 term “relevant committees of Congress” means each of  
3 the following committees:

4           (A) *The Committees on Armed Services of*  
5 *the Senate and the House of Representatives.*

6           (B) *The Committee on Homeland Security*  
7 *and Governmental Affairs of the Senate and the*  
8 *Committee on Oversight and Government Reform*  
9 *of the House of Representatives.*

10          (C) *The Committee on Foreign Relations of*  
11 *the Senate and the Committee on Foreign Affairs*  
12 *of the House of Representatives.*

13 **SEC. 834. COMPETITION FOR EQUIPMENT SUPPLIED TO**  
14 **IRAQ AND AFGHANISTAN.**

15          (a) *COMPETITION REQUIREMENT.*—For the procure-  
16 ment of pistols and other weapons described in subsection  
17 (b), the Secretary of Defense shall ensure, consistent with  
18 the provisions of section 2304 of title 10, United States  
19 Code, that—

20           (1) *full and open competition is obtained to the*  
21 *maximum extent practicable;*

22           (2) *no responsible United States manufacturer is*  
23 *excluded from competing for such procurements; and*

24           (3) *products manufactured in the United States*  
25 *are not excluded from the competition.*

1       (b) *PROCUREMENTS COVERED.*—*This section applies*  
2 *to the procurement of the following:*

3           (1) *Pistols and other weapons less than 0.50 cal-*  
4 *iber for assistance to the Army of Iraq, the Iraqi Po-*  
5 *lice Forces, and other Iraqi security organizations.*

6           (2) *Pistols and other weapons less than 0.50 cal-*  
7 *iber for assistance to the Army of Afghanistan, the*  
8 *Afghani Police Forces, and other Afghani security or-*  
9 *ganizations.*

## 10           ***Subtitle E—Other Matters***

### 11   ***SEC. 841. RAPID COMMERCIAL INFORMATION TECHNOLOGY***

#### 12           ***IDENTIFICATION DEMONSTRATION PROJECT.***

13       (a) *DEMONSTRATION PROJECT.*—*The Secretary of De-*  
14 *fense, acting through the Assistant Secretary of Defense for*  
15 *Networks and Information Integration, shall establish a*  
16 *demonstration project to develop, implement, and assess the*  
17 *effectiveness of a comprehensive approach to identifying, as-*  
18 *sessing, stimulating investment in, rapidly acquiring, and*  
19 *coordinating the use of commercial information technologies*  
20 *(with an emphasis on commercial off-the-shelf information*  
21 *technologies). The demonstration project shall be known as*  
22 *the “Rapid Commercial Information Technology Identifica-*  
23 *tion Demonstration Pilot.”*

24       (b) *MATTERS COVERED.*—*The demonstration project*  
25 *shall include the following:*

1           (1) *Developing a process to rapidly assess and*  
2 *set priorities for significant needs of the Department*  
3 *of Defense that could be met by commercial informa-*  
4 *tion technology, including a process for—*

5                   (A) *aligning needs with the requirements of*  
6 *the combatant commanders; and*

7                   (B) *evaluating commercial products of in-*  
8 *terest against those needs.*

9           (2) *Providing for the hiring and support of em-*  
10 *ployees (including the ability to request detailees from*  
11 *other military or Federal organizations) who can*  
12 *identify and assess promising commercial informa-*  
13 *tion technologies and serve as intermediaries to the*  
14 *Department.*

15           (3) *Enhancing internal Department data and*  
16 *communications about promising or existing commer-*  
17 *cial information technology or federally funded infor-*  
18 *mation technologies projects.*

19           (4) *Identifying key commercial information tech-*  
20 *nologies and using existing mechanisms to make them*  
21 *available to the Armed Forces.*

22           (5) *Developing and operating a suitable Web*  
23 *portal or other significant virtual environment to fa-*  
24 *cilitate communications with industry.*

1           (6) *Providing for acquisition guides for small in-*  
2           *formation technology companies with promising tech-*  
3           *nologies, to help them understand and navigate the*  
4           *funding and acquisition processes of the Department*  
5           *of Defense.*

6           (7) *Developing methods to measure program per-*  
7           *formance and collecting data on an ongoing basis to*  
8           *assess the effects of the process being used by the dem-*  
9           *onstration program.*

10          (c) *PERIOD OF DEMONSTRATION PROJECT.—The dem-*  
11          *onstration project shall be conducted for a period of three*  
12          *years.*

13          (d) *AUTHORIZATION OF APPROPRIATIONS.—There is*  
14          *authorized to be appropriated to the Secretary of Defense*  
15          *\$10,000,000 for fiscal year 2008 to carry out the demonstra-*  
16          *tion project under this section, to be derived from amounts*  
17          *provided in section 201(4) for research, development, test,*  
18          *and evaluation, Defense-wide activities.*

19          (e) *REPORT TO CONGRESS.—Not later than 12 months*  
20          *after the date of the enactment of this Act, the Secretary*  
21          *of Defense shall submit to the congressional defense commit-*  
22          *tees a report on the implementation of the demonstration*  
23          *project required under this section.*

1 **SEC. 842. REPORT TO CONGRESS REQUIRED ON DELAYS IN**  
2 **MAJOR PHASES OF ACQUISITION PROCESS**  
3 **FOR MAJOR AUTOMATED INFORMATION SYS-**  
4 **TEM PROGRAMS.**

5 (a) *REPORT REQUIRED FOR CERTAIN DELAYS.*—In  
6 the case of any major automated information system pro-  
7 gram, if there is a delay in meeting any deadline for a  
8 phase of the acquisition process for the program specified  
9 in subsection (b), the Secretary of Defense, acting through  
10 the Under Secretary of Defense for Acquisition, Technology,  
11 and Logistics, shall submit to the congressional defense com-  
12 mittees a report on the delay. The report shall be submitted  
13 not later than 30 days after the delay occurs.

14 (b) *DEADLINES.*—The deadlines for a phase of the ac-  
15 quisition process referred to in subsection (a) are the fol-  
16 lowing:

17 (1) *With respect to approval of any analysis of*  
18 *alternatives, within one year from the date each anal-*  
19 *ysis began.*

20 (2) *With respect to achieving Milestone B in ac-*  
21 *cordance with section 2366a of title 10, United States*  
22 *Code, within 18 months after the date of Milestone A*  
23 *approval.*

24 (3) *With respect to completion of any capability*  
25 *development document, within six months from the*  
26 *time of determined need to the time of approval.*

1       (c) *MATTERS COVERED BY REPORT.*—*The report re-*  
2 *quired by subsection (a)—*

3           (1) *shall set forth the reason or reasons the De-*  
4 *partment of Defense was unable to complete the de-*  
5 *layed process or processes on time; and*

6           (2) *shall include a written certification with a*  
7 *supporting explanation stating that—*

8               (A) *the program is necessary for the effi-*  
9 *cient management of the Department; and*

10              (B) *the most current estimates of the costs,*  
11 *schedule, and performance parameters with re-*  
12 *spect to the program and system are reasonable;*  
13 *and the management structure for the program*  
14 *is adequate to manage and control program*  
15 *costs.*

16 **SEC. 843. REQUIREMENT FOR LICENSING OF CERTAIN MILI-**  
17 **TARY DESIGNATIONS AND LIKENESSES OF**  
18 **WEAPONS SYSTEMS TO TOY AND HOBBY MAN-**  
19 **UFACTURERS.**

20       (a) *REQUIREMENT TO LICENSE CERTAIN ITEMS.*—  
21 *Section 2260 of title 10, United States Code, is amended—*

22           (1) *by redesignating subsections (c), (d), and (e)*  
23 *as subsections (d), (e), and (f), respectively; and*

24           (2) *by adding after subsection (b) the following*  
25 *new subsection:*

1       “(c) *REQUIRED LICENSES.*—(1) *The Secretary con-*  
2 *cerned shall license trademarks, service marks, certification*  
3 *marks, and collective marks relating to military designa-*  
4 *tions and likenesses of military weapons systems to any*  
5 *qualifying company upon receipt of a request from the com-*  
6 *pany.*

7       “(2) *For purposes of paragraph (1), a qualifying com-*  
8 *pany is any United States company that is a small busi-*  
9 *ness concern and that—*

10               “(A) *is a toy or hobby manufacturer, distributor,*  
11 *or merchant; and*

12               “(B) *is determined by the Secretary concerned to*  
13 *be qualified in accordance with such criteria as may*  
14 *be prescribed by the Secretary of Defense.*

15       “(3) *The fee for a license under this subsection shall*  
16 *be determined under regulations prescribed by the Secretary*  
17 *of Defense. Any such fee shall be nominal and shall be an*  
18 *amount not less than an amount needed to recover all costs*  
19 *of the Department of Defense in processing the request for*  
20 *the license and supplying the license.*

21       “(4) *A license under this subsection shall not be an*  
22 *exclusive license.”.*

23       “(b) *EFFECTIVE DATE.*—*The Secretary of Defense shall*  
24 *prescribe regulations to implement the amendment made by*

1 *this section not later than 180 days after the date of the*  
2 *enactment of this Act.*

3 **SEC. 844. CHANGE IN GROUNDS FOR WAIVER OF LIMITA-**  
4 **TION ON SERVICE CONTRACT TO ACQUIRE**  
5 **MILITARY FLIGHT SIMULATOR.**

6 *Section 832(b)(1) of the John Warner National Defense*  
7 *Authorization Act for Fiscal Year 2007 (Public Law 109-*  
8 *364; 120 Stat. 2331) is amended by striking “necessary for*  
9 *national security purposes” and inserting “in the national*  
10 *interest”.*

11 **SEC. 845. EVALUATION OF COST OF COMPLIANCE WITH RE-**  
12 **QUIREMENT TO BUY CERTAIN ARTICLES**  
13 **FROM AMERICAN SOURCES.**

14 *(a) EXCLUSION FROM PRICE OR COST COMPARISON*  
15 *.—For all Department of Defense prime contract awards*  
16 *and subcontract awards at any tier, in the event that a*  
17 *price or cost comparison is made as part of an evaluation*  
18 *of offers for goods or services provided by a United States*  
19 *firm and by a foreign source benefitting from the exception*  
20 *provided in section 2533a(e)(1)(B) or 2533b(d)(1)(B) of*  
21 *title 10, United States Code, the cost of compliance de-*  
22 *scribed in subsection (c) shall not be considered in such an*  
23 *evaluation.*

24 *(b) INCLUSION IN EVALUATION OF OFFERS.—The cost*  
25 *of compliance shall be considered in the evaluation of offers*

1 *provided by United States firms and by foreign sources sub-*  
2 *mitting compliant offers.*

3 (c) *COST OF COMPLIANCE.*—*The cost of compliance de-*  
4 *scribed in this subsection is the cost of compliance for a*  
5 *United States firm to procure items grown, reprocessed, re-*  
6 *used, or produced in the United States, in accordance with*  
7 *section 2533a of title 10, United States Code, or to procure*  
8 *specialty metals melted or produced in the United States,*  
9 *in accordance with section 2533b of such title 10.*

10 **SEC. 846. REQUIREMENTS RELATING TO WAIVERS OF CER-**  
11 **TAIN DOMESTIC SOURCE LIMITATIONS.**

12 (a) *MULTI-CONTRACT AND CLASS WAIVERS.*—*A do-*  
13 *mestic non-availability determination pursuant to section*  
14 *2533b(b) of title 10, United States Code, that would apply*  
15 *to more than one prime contract of the Department of De-*  
16 *fense shall be made only if the determination—*

17 (1) *has been proposed and finalized under a for-*  
18 *mal rulemaking;*

19 (2) *specifies that the determination will expire*  
20 *30 days after the Secretary concerned finds that the*  
21 *determination is no longer justified; and*

22 (3) *requires an accounting of all end items, com-*  
23 *ponents, or specialty metals that do not comply with*  
24 *the requirement in section 2533b(a) of such title.*

1           (b) *SINGLE CONTRACT WAIVERS.*—*In making a do-*  
2 *mestic non-availability determination pursuant to 2533b(b)*  
3 *of such title that applies to a single prime contract of the*  
4 *Department of Defense, the Secretary concerned shall en-*  
5 *sure, after making the determination, that—*

6                   (1) *the information used as justification in mak-*  
7 *ing the determination is made publicly available to*  
8 *the maximum extent practicable; and*

9                   (2) *the contracting officer for the contract con-*  
10 *cerned receives an accounting of all end items, compo-*  
11 *nents, or specialty metals that do not comply with the*  
12 *requirement in section 2533b (a) of such title.*

13           (c) *SPECIALTY METAL DEFINED.*—*In this section, the*  
14 *term “specialty metal” has the meaning provided in section*  
15 *2533b(I) of title 10, United States Code.*

16           (d) *EFFECTIVE DATE.*—*This section shall be effective*  
17 *as of February 1, 2007.*

18 **SEC. 847. MULTIPLE COST THRESHOLD BREACHES.**

19           (a) *EVALUATION OF COST THRESHOLD BREACHES.*—  
20 *Within 30 days following the end of a fiscal year, each com-*  
21 *ponent of the Department of Defense shall evaluate, for the*  
22 *preceding fiscal year—*

23                   (1) *the number of acquisition programs within*  
24 *the component that experienced significant and crit-*

1       ical cost threshold breaches, as defined in section 2433  
2       of title 10, United States Code; and

3               (2) the number of technology development pro-  
4       grams within the component that, prior to a Mile-  
5       stone B decision, required recertification by the Joint  
6       Requirements Oversight Council.

7       (b) *IDENTIFICATION AND REPORT ON SYSTEMIC DEFICI-*  
8       *ENCIES.*—Within 90 days following the end of a fiscal  
9       year, each component of the Department of Defense that has  
10      identified more than two such programs under subsection  
11      (a), shall identify systemic deficiencies in its acquisition  
12      policies or practices that may have contributed to the cost  
13      growth in such programs and provide a report to the Sec-  
14      retary of Defense outlining corrective actions to be taken.

15      (c) *ASSESSMENT OF CORRECTIVE ACTIONS.*—Within  
16      120 days following the end of a fiscal year, the Secretary  
17      of Defense shall provide an assessment of the adequacy of  
18      such corrective actions, along with the details of the defi-  
19      ciencies leading to such cost growth, to the congressional  
20      defense committees.

21      (d) *DEFINITION OF COMPONENT.*—In this section, the  
22      term “component” means a military department, a combat-  
23      ant command, a Defense Agency, and any part of the Office  
24      of the Secretary of Defense that manages a major defense  
25      acquisition program.

1 **SEC. 848. PHONE CARDS.**

2       (a) *COMPETITIVE PROCEDURES REQUIRED.*—When  
3 the Secretary of Defense considers it necessary to provide  
4 morale, welfare, and recreation telephone services for mili-  
5 tary personnel serving in combat zones, he shall use com-  
6 petitive procedures when entering into a contract to provide  
7 those services. In evaluating contract proposals for such  
8 services, the Secretary shall require bid proposals to include  
9 options that minimize the cost of the phone services to indi-  
10 vidual users while providing individual users the flexibility  
11 of using phone cards from other than the bidding entity.

12       (b) *EFFECTIVE DATE.*—This section shall apply to  
13 any new contract to provide morale welfare and recreation  
14 phone services in a combat theater that is entered into after  
15 the date of enactment of this Act. With regard to the exten-  
16 sion of any contract to provide such services that is in exist-  
17 ence on such date of enactment, the Secretary shall examine  
18 with the contractor whether it is possible to further reduce  
19 the cost of the services to the soldier by allowing the use  
20 of phone cards other than the contractor's. The Secretary  
21 shall submit the results of his review to the Committees on  
22 Armed Services of the Senate and the House of Representa-  
23 tives.

1 **SEC. 849. JURISDICTION UNDER CONTRACT DISPUTES ACT**  
2 **OF 1978 OVER CLAIMS, DISPUTES, AND AP-**  
3 **PEALS ARISING OUT OF MARITIME CON-**  
4 **TRACTS.**

5 *Section 4 of the Contract Disputes Act of 1978 (41*  
6 *U.S.C. 603) is amended by striking “of maritime con-*  
7 *tracts,” and all that follows through the end of the section*  
8 *and inserting “of maritime contracts, shall be governed ex-*  
9 *clusively by this Act.”*

10 **SEC. 850. CLARIFICATION OF JURISDICTION OF THE**  
11 **UNITED STATES DISTRICT COURTS TO HEAR**  
12 **BID PROTEST DISPUTES INVOLVING MARI-**  
13 **TIME CONTRACTS.**

14 *Section 1491 of title 28, United States Code, is amend-*  
15 *ed by adding at the end the following:*

16 *“(d) Jurisdiction over any actions described under*  
17 *subsection (b)(1) of this section arising out of a maritime*  
18 *contract (as that term is used in the Contract Disputes Act*  
19 *of 1978 (41 U.S.C. 601 et seq.)) or a proposed maritime*  
20 *contract shall be governed by this section, and shall not be*  
21 *subject to the jurisdiction of the district courts of the United*  
22 *States under chapter 309 of title 46, popularly known as*  
23 *the Suits in Admiralty Act, or chapter 311 of title 46, popu-*  
24 *larly known as the Public Vessels Act.”.*

1 **TITLE IX—DEPARTMENT OF DE-**  
 2 **FENSE ORGANIZATION AND**  
 3 **MANAGEMENT**

*Subtitle A—Department of Defense Management*

- Sec. 901. Additional requirements relating to limitation on major Department of Defense headquarters activities personnel.*
- Sec. 902. Flexibility to adjust the number of deputy chiefs and assistant chiefs.*
- Sec. 903. Change in eligibility requirements for appointment to Department of Defense leadership positions.*
- Sec. 904. Revisions in functions and activities of special operations command.*
- Sec. 905. Redesignation of the Department of the Navy as the Department of the Navy and Marine Corps.*
- Sec. 906. Management system of the Department of Defense.*
- Sec. 907. Acquisition parity for Special Operations Command.*
- Sec. 908. Department of Defense Board of Actuaries.*

*Subtitle B—Space Activities*

- Sec. 911. Space protection policy and strategy.*
- Sec. 912. Biennial report on management of space cadre within the Department of Defense.*

*Subtitle C—Chemical Demilitarization Program*

- Sec. 921. Chemical demilitarization citizens advisory commissions.*
- Sec. 922. Sense of Congress on completion of destruction of United States chemical weapons stockpile.*

*Subtitle D—Intelligence-Related Matters*

- Sec. 931. Reports on foreign language proficiency.*
- Sec. 932. Technical amendments to title 10, United States Code, arising from enactment of the Intelligence Reform and Terrorism Prevention Act of 2004.*

*Subtitle E—Roles and Missions Analysis*

- Sec. 941. Analysis and organization of roles and missions of Department of Defense.*
- Sec. 942. Identification of core competencies of the military departments and other entities within the Department of Defense.*
- Sec. 943. Review of capabilities of the military departments and other entities.*
- Sec. 944. Joint Requirements Oversight Council additional duties relating to core mission areas.*
- Sec. 945. Requirement for certification of major systems prior to technology development.*
- Sec. 946. Presentation of future-years mission budget by core mission area.*
- Sec. 947. Future capability planning by Joint Requirements Oversight Council.*

*Subtitle F—Other Matters*

- Sec. 951. Department of Defense consideration of effect of climate change on Department facilities, capabilities, and missions.*

*Sec. 952. Interagency policy coordination.*

*Sec. 953. Expansion of employment creditable under service agreements under National Security Education Program.*

*Sec. 954. Study of national security interagency system.*

1    ***Subtitle A—Department of Defense***  
 2                                    ***Management***

3    ***SEC. 901. ADDITIONAL REQUIREMENTS RELATING TO LIMI-***  
 4                                    ***TATION ON MAJOR DEPARTMENT OF DE-***  
 5                                    ***FENSE HEADQUARTERS ACTIVITIES PER-***  
 6                                    ***SONNEL.***

7            *Section 130a of title 10, United States Code, is amend-*  
 8 *ed—*

9                    (1) *in subsection (c)(2), by striking “may not be*  
 10 *changed except as provided by law.” and inserting*  
 11 *“may be changed only if the Secretary of Defense sub-*  
 12 *mits proposed changes to Congress with the defense*  
 13 *budget materials. Any such submitted changes shall*  
 14 *take effect on the January 1 following the submis-*  
 15 *sion.”; and*

16                   (2) *by adding at the end the following new sub-*  
 17 *sections:*

18            “(e) *FLEXIBILITY IN ORDER TO ACHIEVE COST SAV-*  
 19 *INGS OR ELIMINATE CONTRACTS ASSOCIATED WITH IN-*  
 20 *HERENTLY GOVERNMENTAL FUNCTIONS.—(1) If the Sec-*  
 21 *retary of a military department or the commander of a*  
 22 *combatant command certifies to the Secretary of Defense*  
 23 *that a waiver of the limitation in subsection (a) or a re-*

1 *allocation among the military departments or combatant*  
2 *commands of the number of personnel permissible under*  
3 *subsection (a) either is expected to result in a cost savings*  
4 *or is necessary to eliminate a contract associated with an*  
5 *inherently governmental function (including cost savings or*  
6 *the elimination of a contract resulting from guidelines and*  
7 *procedures prescribed pursuant to section 343 of the Na-*  
8 *tional Defense Authorization Act for Fiscal Year 2006 (Pub-*  
9 *lic Law 109-163)), the Secretary of Defense shall waive such*  
10 *limitation or make such reallocation to the extent necessary*  
11 *to achieve the cost savings or to eliminate the contract.*

12       “(2) *The Secretary of Defense shall include a report,*  
13 *with the defense budget materials for a fiscal year, outlining*  
14 *the uses of the waiver or reallocation authority provided*  
15 *in paragraph (1) during the preceding fiscal year, includ-*  
16 *ing the number of times the waiver or reallocation authority*  
17 *was used, the purposes for which it was used, expected cost*  
18 *savings, if any, and the number of personnel affected.*

19       “(f) *DEFENSE BUDGET MATERIALS.—In this section,*  
20 *the term ‘defense budget materials’, with respect to a fiscal*  
21 *year, means the materials submitted to Congress by the Sec-*  
22 *retary of Defense in support of the budget for that fiscal*  
23 *year that is submitted to Congress by the President under*  
24 *section 1105(a) of title 31.”.*

1 **SEC. 902. FLEXIBILITY TO ADJUST THE NUMBER OF DEP-**  
2 **UTY CHIEFS AND ASSISTANT CHIEFS.**

3 (a) *ARMY.*—Section 3035(b) of title 10, United States  
4 Code, is amended to read as follows:

5 “(b) The Secretary of the Army shall prescribe the  
6 number of Deputy Chiefs of Staff and Assistant Chiefs of  
7 Staff, for a total of not more than eight positions.”.

8 (b) *NAVY.*—

9 (1) *DEPUTY CHIEFS OF NAVAL OPERATIONS.*—  
10 Section 5036(a) of title 10, United States Code, is  
11 amended—

12 (A) by striking “There are in the Office of  
13 the Chief of Naval Operations not more than five  
14 Deputy Chiefs of Naval Operations,” and insert-  
15 ing “There are Deputy Chiefs of Naval Oper-  
16 ations in the Office of the Chief of Naval Oper-  
17 ations,” ; and

18 (B) by adding at the end the following:  
19 “The Secretary of the Navy shall prescribe the  
20 number of Deputy Chiefs of Naval Operations  
21 under this section and Assistant Chiefs of Naval  
22 Operations under section 5037 of this title, for a  
23 total of not more than eight positions.”.

24 (2) *ASSISTANT CHIEFS OF NAVAL OPERATIONS.*—  
25 Section 5037(a) of such title is amended—

1           (A) by striking “There are in the Office of  
2           the Chief of Naval Operations not more than  
3           three Assistant Chiefs of Naval Operations,” and  
4           inserting “There are Assistant Chiefs of Naval  
5           Operations in the Office of the Chief of Naval  
6           Operations,”; and

7           (B) by adding at the end the following:  
8           “The Secretary of the Navy shall prescribe the  
9           number of Assistant Chiefs of Naval Operations  
10          in accordance with section 5036(a) of this title.”.

11          (c) *AIR FORCE*.—Section 8035(b) of title 10, United  
12 States Code, is amended to read as follows:

13          “(b) The Secretary of the Air Force shall prescribe the  
14 number of Deputy Chiefs of Staff and Assistant Chiefs of  
15 Staff, for a total of not more than eight positions.”.

16 **SEC. 903. CHANGE IN ELIGIBILITY REQUIREMENTS FOR AP-**  
17 **POINTMENT TO DEPARTMENT OF DEFENSE**  
18 **LEADERSHIP POSITIONS.**

19          (a) *SECRETARY OF DEFENSE*.—Section 113(a) of title  
20 10, United States Code, is amended by striking “10” and  
21 inserting “five”.

22          (b) *DEPUTY SECRETARY OF DEFENSE*.—Section  
23 132(a) of such title is amended by striking “ten” and in-  
24 serting “five”.

1       (c) *UNDER SECRETARY OF DEFENSE FOR POLICY.*—  
2       Section 134(a) of such title is amended by striking “10”  
3       and inserting “five”.

4       **SEC. 904. REVISIONS IN FUNCTIONS AND ACTIVITIES OF**  
5                               **SPECIAL OPERATIONS COMMAND.**

6       (a) *ADDITIONAL PRINCIPAL FUNCTION.*—Section  
7       167(a) of title 10, United States Code, is amended—

8               (1) by inserting “(1)” before “With the advice”;  
9       and

10              (2) by striking the sentence beginning with “The  
11       principal function” and inserting the following new  
12       paragraph:

13       “(2) The principal functions of the command are—

14              “(A) to prepare special operations forces to carry  
15       out assigned missions; and

16              “(B) if directed by the President or the Secretary  
17       of Defense, to plan, synchronize, and carry out global  
18       missions against terrorists.”.

19       (b) *REPORT REQUIREMENTS.*—

20              (1) *REPORT ON UNCONVENTIONAL WARFARE.*—

21       Not later than March 1, 2008, the Secretary of De-  
22       fense shall submit to the congressional defense com-  
23       mittees a report containing a plan to meet the future  
24       requirements of unconventional warfare.

1           (2) *ANNUAL REPORT ON PERSONNEL MANAGE-*  
2           *MENT.—Not later than March 1, 2008, and not later*  
3           *than September 1 each year thereafter, the Secretary*  
4           *of Defense shall submit to the congressional defense*  
5           *committees a report on the adequacy of Department*  
6           *of Defense personnel management programs to meet*  
7           *the needs of the special operations command.*

8           (c) *ADDITIONAL SPECIAL OPERATIONS ACTIVITIES.—*  
9           *Subsection (j) of section 167 of such title is amended to read*  
10          *as follows:*

11          “(j) *SPECIAL OPERATIONS ACTIVITIES.—For purposes*  
12          *of this section, special operations activities include each of*  
13          *the following insofar as it relates to special operations:*

14                 “(1) *Unconventional warfare.*

15                 “(2) *Counterterrorism.*

16                 “(3) *Counterinsurgency.*

17                 “(4) *Counterproliferation of weapons of mass de-*  
18                 *struction.*

19                 “(5) *Direct action.*

20                 “(6) *Strategic reconnaissance.*

21                 “(7) *Foreign internal defense.*

22                 “(8) *Civil-military operations.*

23                 “(9) *Psychological and information operations.*

24                 “(10) *Humanitarian assistance.*

25                 “(11) *Theater search and rescue.*

1           “(12) *Such other activities as may be specified*  
2           *by the President or the Secretary of Defense.*”.

3 **SEC. 905. REDESIGNATION OF THE DEPARTMENT OF THE**  
4                           **NAVY AS THE DEPARTMENT OF THE NAVY**  
5                           **AND MARINE CORPS.**

6           (a) *REDESIGNATION OF MILITARY DEPARTMENT.*—  
7           *The military department designated as the Department of*  
8           *the Navy is redesignated as the Department of the Navy*  
9           *and Marine Corps.*

10          (b) *REDESIGNATION OF SECRETARY AND OTHER*  
11          *STATUTORY OFFICES.*—

12                 (1) *SECRETARY.*—*The position of the Secretary*  
13                 *of the Navy is redesignated as the Secretary of the*  
14                 *Navy and Marine Corps.*

15                 (2) *OTHER STATUTORY OFFICES.*—*The positions*  
16                 *of the Under Secretary of the Navy, the four Assistant*  
17                 *Secretaries of the Navy, and the General Counsel of*  
18                 *the Department of the Navy are redesignated as the*  
19                 *Under Secretary of the Navy and Marine Corps, the*  
20                 *Assistant Secretaries of the Navy and Marine Corps,*  
21                 *and the General Counsel of the Department of the*  
22                 *Navy and Marine Corps, respectively.*

23          (c) *CONFORMING AMENDMENTS TO TITLE 10, UNITED*  
24          *STATES CODE.*—

1           (1) *DEFINITION OF “MILITARY DEPARTMENT”*.—  
2           *Paragraph (8) of section 101(a) of title 10, United*  
3           *States Code, is amended to read as follows:*

4           “(8) *The term ‘military department’ means the*  
5           *Department of the Army, the Department of the Navy*  
6           *and Marine Corps, and the Department of the Air*  
7           *Force.”.*

8           (2) *ORGANIZATION OF DEPARTMENT*.—*The text*  
9           *of section 5011 of such title is amended to read as fol-*  
10          *lows: “The Department of the Navy and Marine*  
11          *Corps is separately organized under the Secretary of*  
12          *the Navy and Marine Corps.”.*

13          (3) *POSITION OF SECRETARY*.—*Section*  
14          *5013(a)(1) of such title is amended by striking “There*  
15          *is a Secretary of the Navy” and inserting “There is*  
16          *a Secretary of the Navy and Marine Corps”.*

17          (4) *CHAPTER HEADINGS*.—

18                 (A) *The heading of chapter 503 of such title*  
19                 *is amended to read as follows:*

20                 **“CHAPTER 503—DEPARTMENT OF THE**  
21                 **NAVY AND MARINE CORPS”.**

22                 (B) *The heading of chapter 507 of such title*  
23                 *is amended to read as follows:*

1 **“CHAPTER 507—COMPOSITION OF THE DE-**  
2 **PARTMENT OF THE NAVY AND MARINE**  
3 **CORPS”.**

4 (5) *OTHER AMENDMENTS.—*

5 (A) *Title 10, United States Code, is amend-*  
6 *ed by striking “Department of the Navy” and*  
7 *“Secretary of the Navy” each place they appear*  
8 *other than as specified in paragraphs (1), (2),*  
9 *(3), and (4) (including in section headings, sub-*  
10 *section captions, tables of chapters, and tables of*  
11 *sections) and inserting “Department of the Navy*  
12 *and Marine Corps” and “Secretary of the Navy*  
13 *and Marine Corps”, respectively, in each case*  
14 *with the matter inserted to be in the same type-*  
15 *face and typestyle as the matter stricken.*

16 (B)(i) *Sections 5013(f), 5014(b)(2), 5016(a),*  
17 *5017(2), 5032(a), and 5042(a) of such title are*  
18 *amended by striking “Assistant Secretaries of the*  
19 *Navy” and inserting “Assistant Secretaries of*  
20 *the Navy and Marine Corps”.*

21 (ii) *The heading of section 5016 of such*  
22 *title, and the item relating to such section in the*  
23 *table of sections at the beginning of chapter 503*  
24 *of such title, are each amended by inserting “and*  
25 *Marine Corps” after “of the Navy”, with the*

1           *matter inserted in each case to be in the same*  
2           *typeface and typestyle as the matter amended.*

3           (d) *TITLE 37, UNITED STATES CODE.*—*Title 37,*  
4 *United States Code, is amended by striking “Department*  
5 *of the Navy” and “Secretary of the Navy” each place they*  
6 *appear and inserting “Department of the Navy and Marine*  
7 *Corps” and “Secretary of the Navy and Marine Corps”,*  
8 *respectively.*

9           (e) *OTHER REFERENCES.*—*Any reference in any law*  
10 *other than in title 10 or title 37, United States Code, or*  
11 *in any regulation, document, record, or other paper of the*  
12 *United States, to the Department of the Navy shall be con-*  
13 *sidered to be a reference to the Department of the Navy and*  
14 *Marine Corps. Any such reference to an office specified in*  
15 *subsection (b)(2) shall be considered to be a reference to that*  
16 *office as redesignated by that subsection.*

17           (f) *EFFECTIVE DATE.*—*This section and the amend-*  
18 *ments made by this section shall take effect on the first day*  
19 *of the first month beginning more than 60 days after the*  
20 *date of the enactment of this Act.*

21 **SEC. 906. MANAGEMENT SYSTEM OF THE DEPARTMENT OF**  
22 **DEFENSE.**

23           (a) *DUTIES RELATING TO MANAGEMENT OF THE DE-*  
24 *PARTMENT OF DEFENSE.*—*The Secretary of Defense shall*  
25 *assign duties relating to strategic level oversight of all sig-*

1 *nificant management issues of the Department of Defense*  
2 *to a senior official of a rank not lower than an Under Sec-*  
3 *retary of Defense.*

4 (b) *MANAGEMENT SYSTEM.*—*The Secretary of Defense*  
5 *shall adopt a management structure for the Department of*  
6 *Defense, including business support areas, which shall de-*  
7 *fine roles, processes, and accountability for achieving the*  
8 *essential management goals of the Department of Defense*

9 (c) *ESSENTIAL MANAGEMENT GOALS.*—*The Secretary*  
10 *of Defense shall establish essential management goals of the*  
11 *Department of Defense, including at a minimum, the fol-*  
12 *lowing:*

13 (1) *A comprehensive business transformation*  
14 *plan, with measurable performance goals and objec-*  
15 *tives, to achieve an integrated management system for*  
16 *business support areas of the Department of Defense.*

17 (2) *A well-defined enterprise-wide business sys-*  
18 *tems architecture capable of providing accurate and*  
19 *timely information in support of major investment*  
20 *decisions.*

21 (3) *Financial statements for all elements of the*  
22 *Department of Defense that receive clean audit opin-*  
23 *ions during independent financial audits.*

24 (d) *REPORT.*—*Not later than 90 days after the date*  
25 *of the enactment of this Act, the Secretary of Defense shall*

1 *provide to the Committee on Armed Services of the Senate*  
2 *and the Committee on Armed Services of the House of Rep-*  
3 *resentatives a report on the implementation of this section.*

4 *Matters covered in the report shall include the following:*

5           (1) *The assignment of duties relating to manage-*  
6 *ment as required by subsection (a).*

7           (2) *Progress toward implementing a manage-*  
8 *ment structure for the Department of Defense as re-*  
9 *quired by subsection (b).*

10           (3) *A description of the essential management*  
11 *goals of the Department of Defense established pursu-*  
12 *ant to subsection (c).*

13           (4) *A description of Department of Defense ef-*  
14 *forts to achieve its essential management goals as de-*  
15 *scribed pursuant to paragraph (3).*

16 **SEC. 907. ACQUISITION PARITY FOR SPECIAL OPERATIONS**

17 **COMMAND.**

18           (a) *REVISION IN GUIDANCE REGARDING EXERCISE OF*  
19 *ACQUISITION AUTHORITY BY COMMANDERS OF COMBATANT*  
20 *COMMANDS.—Subparagraph (B) of section 905(b)(1) of the*  
21 *John Warner National Defense Authorization Act for Fiscal*  
22 *Year 2007 (Public Law 109–364; 120 Stat. 2353) is amend-*  
23 *ed by striking “and mutually supportive of” .*

24           (b) *REVISION IN CONSULTATION REQUIREMENT.—Sec-*  
25 *tion 905(c) of such Act is amended by striking “and the*

1 *heads of Defense agencies referred to in that subsection” and*  
2 *inserting the following: “, and ensure that the use of the*  
3 *acquisition authority by the heads of Defense Agencies re-*  
4 *ferred to in that subsection is mutually supportive of acqui-*  
5 *sition programs of the military departments”.*

6 **SEC. 908. DEPARTMENT OF DEFENSE BOARD OF ACTU-**  
7 **ARIES.**

8 (a) *ESTABLISHMENT.*—*There is established in the De-*  
9 *partment of Defense a Department of Defense Board of Ac-*  
10 *tuaries (hereinafter in this section referred to as the*  
11 *“Board”).*

12 (b) *MEMBERSHIP.*—

13 (1) *IN GENERAL.*—*The Board shall consist of*  
14 *three members who shall be appointed by the Presi-*  
15 *dent from among qualified professional actuaries who*  
16 *are members of the Society of Actuaries.*

17 (2) *TERMS.*—(A) *Except as provided in subpara-*  
18 *graph (B), the members of the Board shall serve for*  
19 *a term of 15 years, except that a member of the Board*  
20 *appointed to fill a vacancy occurring before the end*  
21 *of the term for which his predecessor was appointed*  
22 *shall serve only until the end of such term. A member*  
23 *may serve after the end of his term until his successor*  
24 *has taken office. A member of the Board may be re-*  
25 *moved by the President.*

1           (B) *The three current members of the Depart-*  
2           *ment of Defense Retirement Board of Actuaries and*  
3           *the Department of Defense Education Benefits Board*  
4           *of Actuaries shall serve the remainder of their existing*  
5           *terms as members of the Board pursuant to subpara-*  
6           *graph (A).*

7           (C) *A member of the Board who is not otherwise*  
8           *an employee of the United States is entitled to receive*  
9           *pay at the daily equivalent of the annual rate of basic*  
10          *pay of the highest rate of basic pay then currently*  
11          *being paid under the General Schedule of subchapter*  
12          *III of chapter 53 of title 5, United States Code, for*  
13          *each day the member is engaged in the performance*  
14          *of duties vested in the Board and is entitled to travel*  
15          *expenses, including a per diem allowance, in accord-*  
16          *ance with section 5703 of title 5.*

17          (c) *REPORT.—The Board shall report to the Secretary*  
18          *of Defense annually on the actuarial status of the Depart-*  
19          *ment of Defense Military Retirement Fund established by*  
20          *section 1461 of title 10, United States Code, and the De-*  
21          *partment of Defense Education Benefits Fund established*  
22          *by section 2006 of title 10, and shall furnish its advice and*  
23          *opinion on matters referred to it by the Secretary.*

1       (d) *RECORDS.*—*The Secretary shall keep, or cause to*  
2 *be kept, such records as necessary for determining the actu-*  
3 *arial status of the Funds.*

4       (e) *DOD EDUCATION BENEFITS FUND.*—*The Board*  
5 *shall review valuations of the Department of Defense Edu-*  
6 *cation Benefits Fund under section 2006(f) of title 10,*  
7 *United States Code, and shall recommend to the President*  
8 *and thereafter to Congress such changes as in the Board’s*  
9 *judgment are appropriate and necessary to protect the pub-*  
10 *lic interest and maintain the Department of Defense Edu-*  
11 *cation Benefits Fund on a sound actuarial basis.*

12       (f) *DOD MILITARY RETIREMENT FUND.*—*The Board*  
13 *shall review valuations of the Department of Defense Mili-*  
14 *tary Retirement Fund under section 1465(c) of title 10,*  
15 *United States Code, and shall report periodically, not less*  
16 *than once every four years, to the President and thereafter*  
17 *to Congress on the status of the Department of Defense Mili-*  
18 *tary Retirement Fund. The Board shall include in such re-*  
19 *port recommendations for such changes as in the Board’s*  
20 *judgment are appropriate and necessary to protect the pub-*  
21 *lic interest and maintain the Department of Defense Mili-*  
22 *tary Retirement Fund on a sound actuarial basis.*

23       (g) *REPEAL OF SUPERSEDED PROVISIONS.*—(1) *Sec-*  
24 *tion 1464 of title 10, United States Code, is repealed.*

1       (2) *Section 2006 of title 10 is amended by striking*  
2 *subsection (e).*

3       (h) *CONFORMING AMENDMENTS.—*

4           (1) *The table of sections at the beginning of*  
5 *chapter 74 of title 10, United States Code, is amended*  
6 *by striking the item relating to section 1464.*

7           (2) *Section 1175(h)(4) of such title is amended*  
8 *by striking “Retirement” the first place it appears.*

9           (3) *Section 1460(b) of such title is amended by*  
10 *striking “Retirement”.*

11           (4) *Section 1466(c)(3) of such title is amended*  
12 *by striking “Retirement”.*

13           (5) *Section 12521(6) of such title is amended by*  
14 *striking “Department of Defense Education Benefits*  
15 *Board of Actuaries referred to in section 2006(e)(1) of*  
16 *this title” and inserting “Department of Defense*  
17 *Board of Actuaries”.*

18       ***Subtitle B—Space Activities***

19       ***SEC. 911. SPACE PROTECTION POLICY AND STRATEGY.***

20       (a) *POLICY.—It is the policy of the United States that*  
21 *the Secretary of Defense accord, after the date of the enact-*  
22 *ment of this Act, a greater priority within the Nation’s*  
23 *space programs to the protection of national security space*  
24 *systems than the Secretary has accorded before the date of*  
25 *the enactment of this Act.*

1           (b) *STRATEGY.*—*The Secretary of Defense shall develop*  
2 *a strategy, to be known as the Space Protection Strategy,*  
3 *for the development and fielding by the United States of*  
4 *the space capabilities that are necessary to ensure freedom*  
5 *of action in space for the United States.*

6           (c) *MATTERS INCLUDED.*—*The strategy required by*  
7 *subsection (b) shall include each of the following:*

8                   (1) *An identification of the threats to, and the*  
9 *vulnerabilities of, the national security space systems*  
10 *of the United States.*

11                   (2) *A description of the systems currently con-*  
12 *tained in the program of record of the Department of*  
13 *Defense that provide space capabilities.*

14                   (3) *For each period covered by the strategy, a de-*  
15 *scription of the space capabilities that are needed for*  
16 *the period, and the space capabilities that are desired*  
17 *for the period, including—*

18                           (A) *the hardware, software, and other mate-*  
19 *rials or services to be developed or procured;*

20                           (B) *the management and organizational*  
21 *changes to be achieved; and*

22                           (C) *concepts of operations, tactics, tech-*  
23 *niques, and procedures to be employed.*

24                   (4) *For each period covered by the strategy, an*  
25 *assessment of the gaps and shortfalls between the*

1       *space capabilities that are needed for the period (and*  
2       *the space capabilities that are desired for the period)*  
3       *and the space capabilities currently contained in the*  
4       *program of record.*

5               *(5) For each period covered by the strategy, a*  
6       *comprehensive plan for investment in space capabili-*  
7       *ties that identifies specific program and technology*  
8       *investments to be made in that period.*

9               *(6) A description of the current processes by*  
10       *which the requirements of the Department of Defense*  
11       *for space systems protection are addressed in space*  
12       *acquisition programs and during key milestone deci-*  
13       *sions, an assessment of the adequacy of those proc-*  
14       *esses, and an identification of the actions of the De-*  
15       *partment for addressing any inadequacies in those*  
16       *processes.*

17               *(7) A description of the current processes by*  
18       *which the Department of Defense program and budget*  
19       *for space systems protection capabilities (including*  
20       *capabilities that are incorporated into single pro-*  
21       *grams and capabilities that span multiple programs),*  
22       *an assessment of the adequacy of those processes, and*  
23       *an identification of the actions of the Department for*  
24       *addressing any inadequacies in those processes.*

1           (8) *A description of the organizational and man-*  
2           *agement structure of the Department of Defense for*  
3           *addressing policy, planning, acquisition, and oper-*  
4           *ations with respect to space capabilities, a description*  
5           *of the roles and responsibilities of each organization,*  
6           *and an identification of the actions of the Depart-*  
7           *ment for addressing any inadequacies in that struc-*  
8           *ture.*

9           (d) *PERIODS COVERED.*—*The strategy required by*  
10          *subsection (b) shall cover the following periods:*

11           (1) *Fiscal years 2008 through 2013.*

12           (2) *Fiscal years 2014 through 2019.*

13           (3) *Fiscal years 2020 through 2025.*

14           (e) *SPACE CAPABILITIES DEFINED.*—*In this section,*  
15          *the term “space capabilities” means capabilities, consistent*  
16          *with international law and treaties, for space situational*  
17          *awareness and for space systems protection.*

18           (f) *REPORT; BIENNIAL UPDATE.*—

19           (1) *REPORT.*—*Not later than March 15, 2008,*  
20          *the Secretary of Defense shall submit to the congres-*  
21          *sional defense committees a report on the strategy re-*  
22          *quired by subsection (b), including each of the matters*  
23          *required by subsection (c).*

24           (2) *BIENNIAL UPDATE.*—*Not later than March*  
25          *15 of each even-numbered year after 2008, the Sec-*

1        *retary shall submit to the committees referred to in*  
2        *paragraph (1) an update to the report required by*  
3        *paragraph (1).*

4            (3) *CLASSIFICATION.*—*The report required by*  
5        *paragraph (1), and each update required by para-*  
6        *graph (2), shall be in unclassified form, but may in-*  
7        *clude a classified annex.*

8            (g) *CONFORMING REPEAL.*—*Section 911 of the Na-*  
9        *tional Defense Authorization Act for Fiscal Year 2006 (Pub-*  
10       *lic Law 109-163; 119 Stat. 3405; 10 U.S.C. 2271 note) is*  
11       *repealed.*

12        **SEC. 912. BIENNIAL REPORT ON MANAGEMENT OF SPACE**  
13                            **CADRE WITHIN THE DEPARTMENT OF DE-**  
14                            **FENSE.**

15            (a) *IN GENERAL.*—*Chapter 23 of title 10, United*  
16        *States Code, is amended by adding at the end the following*  
17        *new section:*

18        **“§ 490. Space cadre management: biennial report**

19            *“(a) REQUIREMENT.*—*The Secretary of Defense and*  
20        *each Secretary of a military department shall develop*  
21        *metrics and use these metrics to identify, track, and manage*  
22        *space cadre personnel within the Department of Defense to*  
23        *ensure the Department has sufficient numbers of personnel*  
24        *with the expertise, training, and experience to meet current*  
25        *and future national security space needs.*

1       “(b) *BIENNIAL REPORT REQUIRED.*—

2               “(1) *IN GENERAL.*—Not later than 180 days  
3 after the date of the enactment of this section, and  
4 every even-numbered year thereafter, the Secretary of  
5 Defense shall submit to the congressional defense com-  
6 mittees a report on the management of the space  
7 cadre.

8               “(2) *MATTERS INCLUDED.*—The report required  
9 by paragraph (1) shall include—

10               “(A) the number of active duty, reserve  
11 duty, and government civilian space-coded billets  
12 that—

13                       “(i) are authorized or permitted to be  
14 maintained for each military department  
15 and defense agency;

16                       “(ii) are needed or required for each  
17 military department and defense agency for  
18 the year in which the submission of the re-  
19 port is required; and

20                       “(iii) are needed or required for each  
21 military department and defense agency for  
22 each of the five years following the date of  
23 the submission of the report;

24               “(B) the actual number of active duty, re-  
25 serve duty, and government civilian personnel

1           *that are coded or classified as space cadre per-*  
2           *sonnel within the Department of Defense, includ-*  
3           *ing the military departments and defense agen-*  
4           *cies;*

5           “(C) *the number of personnel recruited or*  
6           *hired as accessions to serve in billets coded or*  
7           *classified as space cadre personnel for each mili-*  
8           *tary department and defense agency;*

9           “(D) *the number of personnel serving in bil-*  
10          *lets coded or classified as space cadre personnel*  
11          *that discontinued serving each military depart-*  
12          *ment and defense agency during the preceding*  
13          *calendar year, categorized by rationale provided*  
14          *for discontinuing service;*

15          “(E) *for each of the reporting requirements*  
16          *in subparagraphs (A) through (D), further clas-*  
17          *sification of the number of personnel by—*

18                 “(i) *space operators, acquisition per-*  
19                 *sonnel, engineers, scientists, program man-*  
20                 *agers, and other space-related areas identi-*  
21                 *fied by the Department;*

22                 “(ii) *expertise or technical specializa-*  
23                 *tion area—*

24                         “(I) *such as communications,*  
25                         *missile warning, spacelift, and any*

1            *other space-related specialties identi-*  
2            *fied by the Department or classifica-*  
3            *tions used by the Department; and*

4            *“(II) consistent with section 1721*  
5            *of this title for acquisition personnel;*

6            *“(iii) rank for active duty and reserve*  
7            *duty personnel and grade for government*  
8            *civilian personnel;*

9            *“(iv) qualification, expertise, or pro-*  
10           *ficiency level consistent with service and*  
11           *agency-defined qualification, expertise, or*  
12           *proficiency levels; and*

13           *“(v) any other such space-related clas-*  
14           *sification categories used by the Department*  
15           *or military departments; and*

16           *“(F) any other metrics identified by the De-*  
17           *partment to improve the identification, tracking,*  
18           *training, and management of space cadre per-*  
19           *sonnel.*

20           *“(3) ASSESSMENTS.—The report required by*  
21           *paragraph (1) shall also include the Secretary’s as-*  
22           *essment of the state of the Department’s space cadre,*  
23           *the Secretary’s assessment of the space cadres of the*  
24           *military departments, and a description of efforts to*  
25           *ensure the Department has a space cadre sufficient to*

1 *meet current and future national security space*  
2 *needs.”.*

3 (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
4 *the beginning of such chapter is amended by adding at the*  
5 *end the following new item:*

*“490. Space cadre management: biennial report.”.*

6 ***Subtitle C—Chemical***  
7 ***Demilitarization Program***

8 ***SEC. 921. CHEMICAL DEMILITARIZATION CITIZENS ADVI-***  
9 ***SORY COMMISSIONS.***

10 (a) *FUNCTIONS.*—*Section 172 of the National Defense*  
11 *Authorization Act for Fiscal Year 1993 (50 U.S.C. 1521*  
12 *note) is amended—*

13 (1) *in each of subsections (b) and (f), by striking*  
14 *“Assistant Secretary of the Army (Research, Develop-*  
15 *ment and Acquisition)” and inserting “Assistant Sec-*  
16 *retary of the Army (Acquisition, Logistics, and Tech-*  
17 *nology)”;* and

18 (2) *in subsection (g), by striking “Assistant Sec-*  
19 *retary of the Army (Research, Development, and Ac-*  
20 *quisition)” and inserting “Assistant Secretary of the*  
21 *Army (Acquisition, Logistics, and Technology)”.*

22 (b) *TERMINATION.*—*Such section is further amended*  
23 *in subsection (h) by striking “after the stockpile located in*  
24 *that commission’s State has been destroyed” and inserting*  
25 *“after the closure activities required pursuant to regulations*

1 promulgated by the Administrator of the Environmental  
2 Protection Agency pursuant to the Solid Waste Disposal Act  
3 (42 U.S.C. 6901 et seq.) have been completed for the chem-  
4 ical agent destruction facility in the commission's State,  
5 or upon the request of the Governor of the commission's  
6 State, whichever occurs first”.

7 **SEC. 922. SENSE OF CONGRESS ON COMPLETION OF DE-**  
8 **STRUCTION OF UNITED STATES CHEMICAL**  
9 **WEAPONS STOCKPILE.**

10 (a) *FINDINGS.*—Congress makes the following findings:

11 (1) *The Convention on the Prohibition of the De-*  
12 *velopment, Production, Stockpiling and Use of Chem-*  
13 *ical Weapons and on Their Destruction, done at*  
14 *Paris on January 13, 1993 (commonly referred to as*  
15 *the “Chemical Weapons Convention”), originally re-*  
16 *quired that destruction of the entire United States*  
17 *chemical weapons stockpile be completed by April 29,*  
18 *2007, and then subsequently extended five years to*  
19 *April 29, 2012.*

20 (2) *Destroying existing chemical weapons is a*  
21 *homeland security imperative and an arms control*  
22 *priority and is required by United States law.*

23 (3) *The program met its one percent and 20 per-*  
24 *cent destruction deadlines early, and is working to-*

1        *wards its 45 percent destruction milestone date of De-*  
2        *cember 31, 2007, as extended.*

3            *(4) The mission of the Assembled Chemical*  
4        *Weapons Alternatives (ACWA) program, established*  
5        *in the Department of Defense by Congress in 1997, is*  
6        *to safely destroy the chemical weapons stockpiles lo-*  
7        *cated at Pueblo Chemical Depot, Colorado, and Blue*  
8        *Grass Army Depot, Kentucky, through the demonstra-*  
9        *tion of systems employing alternative technologies to*  
10       *the incineration process.*

11           *(5) Current ACWA plans call for the use of neu-*  
12        *tralization followed by on-site biotreatment of aqueous*  
13        *secondary wastes to destroy the Pueblo stockpile, and*  
14        *the use of neutralization followed by on-site supercrit-*  
15        *ical water oxidation treatment of aqueous secondary*  
16        *wastes to destroy the Blue Grass stockpile.*

17           *(6) Affected communities in Colorado and Ken-*  
18        *tucky, represented respectively by the Colorado Chem-*  
19        *ical Demilitarization Citizens' Advisory Commission*  
20        *(CO CAC) and the Chemical Destruction Community*  
21        *Advisory Board (CDCAB), have made clear their*  
22        *preference for on-site treatment of aqueous secondary*  
23        *wastes over off-site treatment.*

24           *(7) Section 921(b)(3) of the John Warner Na-*  
25        *tional Defense Authorization Act for Fiscal Year 2007*

1       *(Public Law 109-364; 120 Stat. 2359) contained a*  
2       *Sense of Congress urging the Secretary of Defense to*  
3       *ensure the elimination of the United States chemical*  
4       *weapons stockpile in the shortest time possible, con-*  
5       *sistent with the requirement to protect public health,*  
6       *safety, and the environment.*

7               *(8) Section 921(b)(4) of that Act contained a*  
8       *Sense of Congress urging the Secretary of Defense to*  
9       *propose a credible treatment and disposal process*  
10       *with the support of affected communities.*

11       *(b) SENSE OF CONGRESS.—It is the sense of Congress*  
12       *the Department of Defense should—*

13               *(1) continue with its plan for on-site disposal of*  
14       *the ACWA-managed stockpiles located at Pueblo*  
15       *Chemical Depot, Colorado, and Blue Grass Army*  
16       *Depot, Kentucky; and*

17               *(2) ensure that extensive consultation and notifi-*  
18       *cation processes exist between representatives of the*  
19       *Department of Defense and representatives of the rel-*  
20       *evant States and local communities.*

21       ***Subtitle D—Intelligence-Related***  
22       ***Matters***

23       ***SEC. 931. REPORTS ON FOREIGN LANGUAGE PROFICIENCY.***

24       *(a) IN GENERAL.—*

1           (1) *FOREIGN LANGUAGE PROFICIENCY RE-*  
2           *PORTS.*—Chapter 23 of title 10, United States Code,  
3           *as amended by this Act, is further amended by add-*  
4           *ing at the end the following new section:*

5   **“§ 491. Foreign language proficiency: annual reports**

6           “(a) *IN GENERAL.*—The Secretary of each military de-  
7           *partment shall annually submit to the Secretary of Defense*  
8           *a report on the foreign language proficiency of the personnel*  
9           *of the military department concerned.*

10          “(b) *CONTENTS.*—Each report submitted under sub-  
11          *section (a) shall include, for each foreign language and,*  
12          *where appropriate, dialect of a foreign language—*

13                 “(1) *the number of positions of the military de-*  
14                 *partment concerned that require proficiency in the*  
15                 *foreign language or dialect;*

16                 “(2) *the number of personnel of the military de-*  
17                 *partment that are serving in a position that—*

18                         “(A) *requires proficiency in the foreign lan-*  
19                         *guage or dialect to perform the primary duty of*  
20                         *the position; and*

21                         “(B) *does not require proficiency in the for-*  
22                         *ign language or dialect to perform the primary*  
23                         *duty of the position;*

24                 “(3) *the number of personnel that are proficient*  
25                 *in the foreign language or dialect that—*

1           “(A) are authorized for the military depart-  
2           ment for which the report is submitted; and

3           “(B) the Secretary of the military depart-  
4           ment concerned considers necessary for the mili-  
5           tary department concerned for each of the five  
6           years following the date of the submission of the  
7           report;

8           “(4) the number of personnel of the military de-  
9           partment concerned rated at each level of proficiency  
10          of the Interagency Language Roundtable;

11          “(5) whether the number of personnel at each  
12          level of proficiency of the Interagency Language  
13          Roundtable meets the requirements of the military de-  
14          partment concerned;

15          “(6) the number of personnel serving or hired to  
16          serve as linguists for the military department con-  
17          cerned that are not qualified as linguists under the  
18          standards of the Interagency Language Roundtable;

19          “(7) the number of personnel hired to serve as  
20          linguists for the military department concerned dur-  
21          ing the preceding calendar year;

22          “(8) the number of personnel serving as linguists  
23          that discontinued serving the military department  
24          concerned during the preceding calendar year;

1           “(9) the percentage of work requiring linguistic  
2           skills that is fulfilled by an ally of the United States;

3           “(10) the percentage of work requiring linguistic  
4           skills that is fulfilled by contractors; and

5           “(11) the percentage of work requiring linguistic  
6           skills that is fulfilled by personnel of the intelligence  
7           community (as such term is defined in section 3(4)  
8           of the National Security Act of 1947 (50 U.S.C.  
9           401a(4))) that are not members of the armed forces on  
10          active duty assigned to the military department for  
11          which the report is submitted.

12          “(c) *SECRETARY OF DEFENSE REPORT TO CON-*  
13 *GRESS.*—*The Secretary of Defense shall annually submit to*  
14 *the congressional defense committees a report containing—*

15           “(1) each report submitted to the Secretary of  
16           Defense for a year under subsection (a);

17           “(2) for each foreign language and, where appro-  
18           priate, dialect of a foreign language—

19                   “(A) the number of positions of the Depart-  
20                   ment of Defense that are not under the jurisdic-  
21                   tion of the Secretary of a military department  
22                   that require proficiency in the foreign language  
23                   or dialect;

24                   “(B) the number of personnel of the Depart-  
25                   ment of Defense that are not under the jurisdic-

1           *tion of the Secretary of a military department*  
2           *that are serving in a position that—*

3                     “(i) *requires proficiency in the foreign*  
4                     *language or dialect to perform the primary*  
5                     *duty of the position; and*

6                     “(ii) *does not require proficiency in*  
7                     *the foreign language or dialect to perform*  
8                     *the primary duty of the position;*

9                     “(C) *the number of personnel of the Depart-*  
10                    *ment of Defense that are not under the jurisdic-*  
11                    *tion of the Secretary of a military department*  
12                    *that are proficient in the foreign language or*  
13                    *dialect that—*

14                    “(i) *are authorized for the Department*  
15                    *of Defense, but not under the jurisdiction of*  
16                    *the Secretary of a military department; and*

17                    “(ii) *the Secretary of Defense considers*  
18                    *necessary for the Department of Defense (ex-*  
19                    *cluding personnel under the jurisdiction of*  
20                    *the Secretary of a military department) for*  
21                    *each of the five years following the date of*  
22                    *the submission of the report;*

23                    “(D) *the number of personnel of the Depart-*  
24                    *ment of Defense that are not under the jurisdic-*  
25                    *tion of the Secretary of a military department*

1           *rated at each level of proficiency of the Inter-*  
2           *agency Language Roundtable;*

3           “(E) *whether the number of personnel at*  
4           *each level of proficiency of the Interagency Lan-*  
5           *guage Roundtable meets the requirements of the*  
6           *Department of Defense;*

7           “(F) *the number of personnel serving or*  
8           *hired to serve as linguists for the Department of*  
9           *Defense that are not under the jurisdiction of the*  
10          *Secretary of a military department that are not*  
11          *qualified as linguists under the standards of the*  
12          *Interagency Language Roundtable;*

13          “(G) *the number of personnel hired during*  
14          *the preceding calendar year to serve as linguists*  
15          *for the Department of Defense that are not under*  
16          *the jurisdiction of the Secretary of a military de-*  
17          *partment;*

18          “(H) *the number of personnel not under the*  
19          *jurisdiction of the Secretary of a military de-*  
20          *partment serving as linguists that discontinued*  
21          *serving the Department of Defense during the*  
22          *preceding calendar year;*

23          “(I) *the percentage of work requiring lin-*  
24          *guistic skills that is fulfilled by an ally of the*  
25          *United States;*

1           “(J) the percentage of work requiring lin-  
2           guistic skills that is fulfilled by contractors; and

3           “(K) the percentage of work requiring lin-  
4           guistic skills that is fulfilled by personnel of the  
5           intelligence community (as such term is defined  
6           in section 3(4) of the National Security Act of  
7           1947 (50 U.S.C. 401a(4))) that are not members  
8           of the armed forces on active duty assigned to the  
9           military department for which the report is sub-  
10          mitted; and

11          “(3) an assessment of the foreign language ca-  
12          pacity and capabilities of the Department of Defense  
13          as a whole.

14          “(d) NON-MILITARY PERSONNEL.—

15                 “(1) SECRETARY OF MILITARY DEPARTMENT RE-  
16                 PORTS.—Except as provided in subsection (a)(11), a  
17                 report submitted under subsection (a) shall cover only  
18                 members of the armed forces on active duty assigned  
19                 to the military department concerned.

20                 “(2) SECRETARY OF DEFENSE REPORTS.—Ex-  
21                 cept as provided in subsection (c)(2)(K), a report sub-  
22                 mitted under subsection (c) shall cover only members  
23                 of the armed forces on active duty assigned to the De-  
24                 partment of Defense.”.

1           (2) *CLERICAL AMENDMENT.*—*The table of sec-*  
2           *tions at the beginning of such chapter is amended by*  
3           *adding at the end the following new item:*

          “491. *Foreign language proficiency: annual reports.*”.

4           (b) *EFFECTIVE DATE.*—

5           (1) *INITIAL REPORT BY SECRETARY OF EACH*  
6           *MILITARY DEPARTMENT.*—*The first report required to*  
7           *be submitted by the Secretary of each military de-*  
8           *partment under section 491(a) of title 10, United*  
9           *States Code, as added by subsection (a), shall be sub-*  
10          *mitted not later than 180 days after the date of the*  
11          *enactment of this Act.*

12          (2) *INITIAL REPORT BY SECRETARY OF DE-*  
13          *FENSE.*—*The first report required to be submitted by*  
14          *the Secretary of Defense under section 491(c) of title*  
15          *10, United States Code, as added by subsection (a),*  
16          *shall be submitted not later than 240 days after the*  
17          *date of the enactment of this Act.*

18 **SEC. 932. TECHNICAL AMENDMENTS TO TITLE 10, UNITED**  
19                 **STATES CODE, ARISING FROM ENACTMENT**  
20                 **OF THE INTELLIGENCE REFORM AND TER-**  
21                 **RORISM PREVENTION ACT OF 2004.**

22          (a) *REFERENCES TO HEAD OF INTELLIGENCE COMMU-*  
23          *NITY.*—*Title 10, United States Code, is amended by striking*  
24          *“Director of Central Intelligence” each place it appears in*

1 *the following provisions and inserting “Director of National*  
 2 *Intelligence”:*

3 (1) *Section 192(c)(2).*

4 (2) *Section 193(d)(2).*

5 (3) *Section 193(e).*

6 (4) *Section 201(a).*

7 (5) *Section 201(c)(1).*

8 (6) *Section 425(a).*

9 (7) *Section 426(a)(3).*

10 (8) *Section 426(b)(2).*

11 (9) *Section 441(c).*

12 (10) *Section 441(d).*

13 (11) *Section 443(d).*

14 (12) *Section 2273(b)(1).*

15 (13) *Section 2723(a).*

16 (b) *REFERENCES TO HEAD OF CENTRAL INTEL-*  
 17 *LIGENCE AGENCY.—Such title is further amended by strik-*  
 18 *ing “Director of Central Intelligence” each place it appears*  
 19 *in the following provisions and inserting “Director of the*  
 20 *Central Intelligence Agency”:*

21 (1) *Section 431(b)(1).*

22 (2) *Section 444.*

23 (3) *Section 1089(g).*

24 (c) *OTHER AMENDMENTS.—*

25 (1) *SUBSECTION HEADINGS.—*

1           (A) SECTION 441(c).—The heading of sub-  
2           section (c) of section 441 of such title is amended  
3           by striking “DIRECTOR OF CENTRAL INTEL-  
4           LIGENCE” and inserting “DIRECTOR OF NA-  
5           TIONAL INTELLIGENCE”.

6           (B) SECTION 443(d).—The heading of sub-  
7           section (d) of section 443 of such title is amended  
8           by striking “DIRECTOR OF CENTRAL INTEL-  
9           LIGENCE” and inserting “DIRECTOR OF NA-  
10          TIONAL INTELLIGENCE”.

11          (2) SECTION 201.—Section 201 of such title is  
12          further amended—

13               (A) in subsection (b)(1), to read as follows:

14               “(1) In the event of a vacancy in a position re-  
15               ferred to in paragraph (2), before appointing an indi-  
16               vidual to fill the vacancy or recommending to the  
17               President an individual to be nominated to fill the  
18               vacancy, the Secretary of Defense shall obtain the con-  
19               currence of the Director of National Intelligence as  
20               provided in section 106(b) of the National Security  
21               Act of 1947 (50 U.S.C. 403–6(b)).”; and

22               (B) in subsection (c)(1), by striking “Na-  
23               tional Foreign Intelligence Program” and insert-  
24               ing “National Intelligence Program”.

1           **Subtitle E—Roles and Missions**  
2                           **Analysis**

3   **SEC. 941. ANALYSIS AND ORGANIZATION OF ROLES AND**  
4                           **MISSIONS OF DEPARTMENT OF DEFENSE.**

5           (a) *REQUIREMENT FOR QUADRENNIAL ROLES AND*  
6   *MISSIONS REVIEW.—*

7                   (1) *IN GENERAL.—Chapter 2 of title 10, United*  
8           *States Code, is amended by inserting after section*  
9           *118a the following new section:*

10   **“§ 118b. Quadrennial roles and missions review**

11           “(a) *REVIEW REQUIRED.—(1) The Secretary of De-*  
12   *fense shall every four years conduct a comprehensive assess-*  
13   *ment (to be known as the ‘quadrennial roles and missions*  
14   *review’)* of the roles and missions of the Department of De-  
15   *fense. Each such quadrennial roles and missions review*  
16   *shall be conducted in consultation with the Chairman of*  
17   *the Joint Chiefs of Staff.*

18           “(b) *CONDUCT OF REVIEW.—Each quadrennial roles*  
19   *and missions review shall be conducted so as—*

20                   (1) *to organize the significant missions of the*  
21   *Department of Defense into core mission areas that*  
22   *cover broad areas of military activity, such as domi-*  
23   *nance of ground, air, maritime, and space environ-*  
24   *ments; expeditionary warfare; mobility; homeland de-*  
25   *fense; and cyberoperations; and*

1           “(2) to ensure that the core mission areas are de-  
2           fined so that the areas are mutually supportive but  
3           with as little overlap in functions as is necessary.

4           “(c) *SUBMISSION TO CONGRESSIONAL COMMITTEES.*—

5           (1) *The Secretary shall submit a report on each quadren-*  
6           *nial roles and missions review to the Committee on Armed*  
7           *Services of the Senate and the Committee on Armed Serv-*  
8           *ices of the House of Representatives.*

9           “(2) *The report shall be submitted in the year fol-*  
10          *lowing the year in which the review is conducted, but not*  
11          *later than the date on which the President submits the budg-*  
12          *et for the next fiscal year to Congress under section 1105(a)*  
13          *of title 31.*”

14          (2) *CLERICAL AMENDMENT.*—*The table of sec-*  
15          *tions at the beginning of such chapter is amended by*  
16          *inserting after the item relating to section 118a the*  
17          *following new item:*

          “118b. *Quadrennial roles and missions review.*”

18          (b) *REPEAL OF SUPERSEDED PROVISION.*—*Section*  
19          *118(e) of title 10, United States Code, is amended—*

20                 (1) *by striking paragraph (2); and*

21                 (2) *by redesignating paragraph (3) as para-*  
22                 *graph (2).*

23          (c) *DEADLINE FOR FIRST ROLES AND MISSIONS RE-*  
24          *VIEW.*—*The first roles and missions review under section*

1 118b of title 10, United States Code, as added by subsection  
2 (a), shall be performed and completed during 2008.

3 **SEC. 942. IDENTIFICATION OF CORE COMPETENCIES OF**  
4 **THE MILITARY DEPARTMENTS AND OTHER**  
5 **ENTITIES WITHIN THE DEPARTMENT OF DE-**  
6 **FENSE.**

7 (a) *IN GENERAL.*—

8 (1) *REQUIREMENT.*—Chapter 3 of title 10,  
9 United States Code, is amended by inserting after sec-  
10 tion 125 the following new section:

11 **“§ 125a. Core competencies**

12 **“(a) REQUIREMENT TO IDENTIFY CORE COM-**  
13 **PETENCIES.**—*The Secretary of Defense, in consultation*  
14 *with the Chairman of the Joint Chiefs of Staff and the Sec-*  
15 *retaries of the military departments, shall identify core*  
16 *competencies for each of the following:*

17 *“(1) Each military department.*

18 *“(2) The Office of the Secretary of Defense.*

19 *“(3) Each Defense Agency.*

20 *“(4) Each Department of Defense Field Activity.*

21 *“(5) Each combatant command with acquisition*  
22 *authority.*

23 **“(b) BASIS OF COMPETENCIES.**—*In identifying the*  
24 *core competencies of an entity listed in subsection (a), the*  
25 *Secretary of Defense shall—*

1           “(1) ensure that each core competency is clearly  
2           associated with a core mission area of the Department  
3           of Defense (as identified pursuant to the quadrennial  
4           roles and missions review under section 118b of this  
5           title); and

6           “(2) base such identification on the ability of an  
7           entity to provide doctrinal, organizational, training,  
8           materiel, leadership, personnel, and facilities solu-  
9           tions to meet requirements within a core mission area  
10          of the Department of Defense.”.

11          (2) *CLERICAL AMENDMENT.*—The table of sec-  
12          tions at the beginning of such chapter is amended by  
13          adding at the end the following new item:

“125a. Core competencies.”.

14          (b) *REPORT ON CORE COMPETENCIES.*—The Secretary  
15          of Defense shall submit to the Committees on Armed Serv-  
16          ices of the Senate and the House of Representatives a report  
17          on the core competencies identified under section 125a of  
18          title 10, United States Code, as added by subsection (a),  
19          not later than the date on which the budget for fiscal year  
20          2009 is submitted to Congress by the President under sec-  
21          tion 1105(a) of title 31, United States Code.

1 **SEC. 943. REVIEW OF CAPABILITIES OF THE MILITARY DE-**  
2 **PARTMENTS AND OTHER ENTITIES.**

3 (a) *REVIEW REQUIRED.*—*The Secretary of Defense*  
4 *shall conduct a review of the capabilities that each of the*  
5 *following entities is performing or developing:*

6 (1) *Each military department.*

7 (2) *The Office of the Secretary of Defense.*

8 (3) *Each Defense Agency.*

9 (4) *Each Department of Defense Field Activity.*

10 (5) *Each combatant command with acquisition*  
11 *authority.*

12 (b) *MATTERS COVERED.*—*In conducting the review,*  
13 *the Secretary of Defense—*

14 (1) *shall determine whether any such capabilities*  
15 *are outside the entity's core competencies (as identi-*  
16 *fied under section 125a of this title) or outside a core*  
17 *mission area of the Department of Defense (as identi-*  
18 *fied pursuant to the quadrennial roles and missions*  
19 *review under section 118b of this title);*

20 (2) *shall determine whether any core com-*  
21 *petencies required to effectively perform the core mis-*  
22 *sion areas of the Department of Defense are not being*  
23 *performed or developed in any entity listed in sub-*  
24 *section (a); and*

1           (3) shall determine whether there is any duplica-  
2           tion of a capability within a core mission area, and  
3           provide a justification for such duplication.

4           (c) *REPORT TO CONGRESS; LIMITATION.*—Not later  
5           than June 1, 2009, the Secretary shall submit to the Com-  
6           mittees on Armed Services of the Senate and the House of  
7           Representatives a report on the review. No new major de-  
8           fense acquisition programs may be started in the Depart-  
9           ment of Defense after June 1, 2009, until the report has  
10          been submitted to such committees.

11 **SEC. 944. JOINT REQUIREMENTS OVERSIGHT COUNCIL AD-**  
12                           **DITIONAL DUTIES RELATING TO CORE MIS-**  
13                           **SION AREAS.**

14          (a) *REVISIONS IN MISSION.*—

15           (1) *REVISIONS.*—Subsection (b) of section 181 of  
16           title 10, United States Code, is amended to read as  
17           follows:

18           “(b) *MISSION.*—In addition to other matters assigned  
19           to it by the President or Secretary of Defense, the Joint  
20           Requirements Oversight Council shall—

21           “(1) assist the Chairman of the Joint Chiefs of  
22           Staff—

23           “(A) in identifying, assessing, and approv-  
24           ing joint military requirements (including exist-

1           ing systems and equipment) to meet the national  
2           military strategy; and

3           “(B) in identifying the core mission area  
4           associated with each such requirement;

5           “(2) assist the Chairman in establishing and as-  
6           signing priority levels for joint military requirements;

7           “(3) assist the Chairman in estimating the level  
8           of resources required in the fulfillment of each joint  
9           military requirement and in ensuring that such re-  
10          source level is consistent with the level of priority as-  
11          signed to such requirement; and

12          “(4) assist the Chairman in considering alter-  
13          natives to any acquisition program that has been  
14          identified to meet joint military requirements by eval-  
15          uating the cost, schedule, and performance criteria of  
16          each alternative and of the identified program.”.

17          (2) *DEFINITIONS.*—Section 181 of such title is  
18          amended by adding at the end the following new sub-  
19          section:

20          “(e) *DEFINITIONS.*—In this section:

21                 “(1) The term ‘joint military requirement’  
22                 means a capability necessary to fulfill a gap in a core  
23                 mission area of the Department of Defense.

24                 “(2) The term ‘core mission area’ means a core  
25                 mission area of the Department of Defense identified

1        *under the most recent quadrennial roles and missions*  
2        *review pursuant to section 118b of this title.”.*

3        *(b) ADDITIONAL MEMBERS OF JOINT REQUIREMENTS*  
4        *OVERSIGHT COUNCIL.—Section 181(c) of title 10, United*  
5        *States Code, is amended—*

6            *(1) by redesignating subparagraphs (B), (C),*  
7            *(D), and (E) as subparagraphs (D), (E), (F), and*  
8            *(G), respectively; and*

9            *(2) by inserting after subparagraph (A) the fol-*  
10        *lowing new subparagraphs:*

11            *“(B) the Under Secretary of Defense for Acquisi-*  
12        *tion, Technology, and Logistics;*

13            *“(C) the Under Secretary of Defense (Comp-*  
14        *troller);”.*

15        *(c) ORGANIZATION.—Section 181 of such title is*  
16        *amended—*

17            *(1) by redesignating subsections (d) and (e) (as*  
18            *added by subsection (a)) as subsections (e) and (f), re-*  
19            *spectively; and*

20            *(2) by inserting after subsection (c) the following*  
21        *new subsection (d):*

22            *“(d) ORGANIZATION.—The Joint Requirements Over-*  
23        *sight Council shall organize its activities according to the*  
24        *core missions areas of the Department of Defense. In any*  
25        *review of a core mission area, the officer or official assigned*

1 *to lead the review shall have a deputy from a different mili-*  
2 *tary department.”.*

3 (d) *DEADLINES.*—*Effective June 1, 2009, all joint*  
4 *military requirements documents of the Joint Requirements*  
5 *Oversight Council produced to carry out its mission under*  
6 *section 181(b)(1) of title 10, United States Code, shall con-*  
7 *form to the core mission areas organized and defined under*  
8 *section 118b of such title. Not later than October 1, 2009,*  
9 *all such documents produced before June 1, 2009, shall con-*  
10 *form to such structure.*

11 (e) *REVISED FUNCTION OF CHAIRMAN OF JOINT*  
12 *CHIEFS OF STAFF.*—*Section 153(a)(4)(F) of title 10,*  
13 *United States Code, is amended by striking “Assessing mili-*  
14 *tary requirements for defense acquisition programs.” and*  
15 *inserting “Advising the Secretary on the effective and effi-*  
16 *cient coordination of all military requirements for defense*  
17 *acquisition programs.”.*

18 **SEC. 945. REQUIREMENT FOR CERTIFICATION OF MAJOR**  
19 **SYSTEMS PRIOR TO TECHNOLOGY DEVELOP-**  
20 **MENT.**

21 (a) *REQUIREMENT FOR CERTIFICATION.*—

22 (1) *IN GENERAL.*—*Chapter 139 of title 10,*  
23 *United States Code, is amended by inserting after sec-*  
24 *tion 2366a the following new section:*

1 **“§2366b. Major systems: requirement for Joint Re-**  
2 **quirements Oversight Council certifi-**  
3 **cation**

4 “(a) *CERTIFICATION.*—*Before the start of technology*  
5 *development for a major system, the Joint Requirements*  
6 *Oversight Council shall certify—*

7 “(1) *that the system fulfills an approved initial*  
8 *capabilities document;*

9 “(2) *that the system is being executed by an enti-*  
10 *ty with a relevant core competency as identified by*  
11 *the Secretary of Defense under section 125a of this*  
12 *title;*

13 “(3) *if the system duplicates a capability al-*  
14 *ready provided by an existing system, the duplication*  
15 *provided by such system is necessary and appro-*  
16 *priate; and*

17 “(4) *that a cost estimate for the system has been*  
18 *submitted and that the level of resources required to*  
19 *develop and procure the system is consistent with the*  
20 *level of resources estimated by the Joint Requirements*  
21 *Oversight Council for the initial capabilities docu-*  
22 *ment identified under paragraph (1).*

23 “(b) *NOTIFICATION.*—*With respect to a major system*  
24 *certified by the Joint Requirements Oversight Council*  
25 *under subsection (a), if the projected cost of the system, at*  
26 *any time prior to Milestone B approval, exceeds the cost*

1 *estimate for the system submitted to the Council at the time*  
2 *of the certification by at least 25 percent, the Secretary of*  
3 *the military department concerned, or in the case of Office*  
4 *of the Secretary of Defense, a Defense Agency, or a Depart-*  
5 *ment of Defense Field Activity, the Secretary of Defense,*  
6 *shall notify the Joint Requirements Oversight Council.*  
7 *Upon receipt of such notification, the Council shall consider*  
8 *whether to recommend that the program be continued or*  
9 *that the program be terminated.*

10 “(c) *DEFINITIONS.—In this section:*

11 “(1) *The term ‘major system’ has the meaning*  
12 *provided in section 2302(5) of this title.*

13 “(2) *The term ‘initial capabilities document’*  
14 *means any capabilities requirement document ap-*  
15 *proved by the Joint Requirements Oversight Council*  
16 *that establishes the need for a materiel approach to*  
17 *resolve a capability gap.*

18 “(3) *The term ‘technology development program’*  
19 *means a coordinated effort to assess technologies and*  
20 *refine user performance parameters to fulfill a capa-*  
21 *bility gap identified in an initial capabilities docu-*  
22 *ment.*

23 “(4) *The term ‘entity’ means an entity listed in*  
24 *section 125a(a) of this title.*

1           “(5) *The term ‘Milestone B approval’ has the*  
2           *meaning provided that term in section 2366(e)(7) of*  
3           *this title.*”.

4           (2) *CLERICAL AMENDMENT.*—*The table of sec-*  
5           *tions at the beginning of such chapter is amended by*  
6           *adding at the end the following new item:*

*“2366b. Major systems: requirement for Joint Requirements Oversight Council cer-*  
*tification.”.*

7           (b) *EFFECTIVE DATE.*—*Section 2366b of title 10,*  
8           *United States Code, as added by subsection (a), shall apply*  
9           *to major systems on and after March 1, 2008.*

10   **SEC. 946. PRESENTATION OF FUTURE-YEARS MISSION**  
11                           **BUDGET BY CORE MISSION AREA.**

12           (a) *TIME OF SUBMISSION OF FUTURE-YEARS MISSION*  
13           *BUDGET.*—*The second sentence of section 222(a) of title 10,*  
14           *United States Code, is amended to read as follows: “That*  
15           *budget shall be submitted for any fiscal year with the fu-*  
16           *ture-years defense program submitted under section 221 of*  
17           *this title.”.*

18           (b) *ORGANIZATION OF FUTURE-YEARS MISSION BUDG-*  
19           *ET.*—*The second sentence of section 222(b) of such title is*  
20           *amended by striking “on the basis” and all that follows*  
21           *through the end of the sentence and inserting the following:*  
22           *“on the basis of both major force programs and the core*  
23           *mission areas identified under the most recent quadrennial*

1 *roles and missions review pursuant to section 118b of this*  
2 *title.”*

3 *(c) EFFECTIVE DATE.—The amendments made by this*  
4 *section shall apply with respect to the future-years mission*  
5 *budget for fiscal year 2010 and each fiscal year thereafter.*

6 **SEC. 947. FUTURE CAPABILITY PLANNING BY JOINT RE-**  
7 **QUIREMENTS OVERSIGHT COUNCIL.**

8 *(a) REQUIREMENT FOR EXTENDED PLANNING AN-*  
9 *NEXES.—Section 181 of title 10, United States Code, as*  
10 *amended by this subtitle, is further amended—*

11 *(1) by redesignating subsection (f) as subsection*  
12 *(g); and*

13 *(2) by inserting after subsection (e) the following*  
14 *new subsection (f):*

15 *“(f) FUTURE CAPABILITY PLANNING.—(1)(A) The Sec-*  
16 *retary of Defense shall direct the commanders of combatant*  
17 *commands to prepare extended planning annexes to all*  
18 *operational and contingency plans. Each extended plan-*  
19 *ning annex shall—*

20 *“(i) include the commander’s assessment of the*  
21 *capabilities needed to successfully accomplish the mis-*  
22 *sions for which the operational and contingency plans*  
23 *were created;*

24 *“(ii) use a 15-year planning horizon and take*  
25 *into account expected changes in threats, the geo-*

1       *political environment, and doctrine, training, and*  
2       *operational concepts; and*

3               “(iii) *provide capability assessments for the year*  
4       *in which the annex is submitted and for the 5th, 10th,*  
5       *and 15th years after such year.*

6       “(B) *The extended planning annexes shall be submitted*  
7       *to the Secretary of Defense and the Chairman of the Joint*  
8       *Chiefs of Staff biannually.*

9       “(2) *The Joint Requirements Oversight Council*  
10       *shall—*

11               “(A) *in consultation with the office responsible*  
12       *for program analysis and evaluation within the Of-*  
13       *fice of the Secretary of Defense and the Office of the*  
14       *Under Secretary of Defense for Acquisition, Tech-*  
15       *nology, and Logistics, match—*

16               “(i) *the capabilities that are expected to be*  
17       *provided by the acquisition programs in exist-*  
18       *ence during the period covered by the most recent*  
19       *extended planning annexes, including classified*  
20       *and compartmentalized programs, and the*  
21       *science and technology programs in existence*  
22       *during that period, with*

23               “(ii) *capability needs identified in the ex-*  
24       *tended planning annexes prepared under para-*  
25       *graph (1);*

1           “(B) in coordination with the commanders of the  
2           combatant commands, and within 30 days after sub-  
3           mission of the extended planning annexes, identify  
4           gaps in capabilities not likely to be closed by existing  
5           acquisition programs and science and technology pro-  
6           grams described in subparagraph (A)(i), assign prior-  
7           ities for addressing such gaps, and identify areas  
8           where such programs are expected to provide capa-  
9           bility beyond that which is required; and

10           “(C) develop a plan for the Department of De-  
11           fense to acquire needed joint capabilities and divest  
12           itself of unneeded capabilities, based on the extended  
13           planning annexes prepared under paragraph (1).

14           “(3) In this subsection, the term ‘operational and con-  
15           tingency plans’ means plans prepared by a commander of  
16           a combatant command to carry out missions assigned to  
17           the command under section 164 of this title.”.

18           (b) *DEADLINE FOR FIRST EXTENDED PLANNING AN-*  
19           *NEXES.*—The first extended planning annexes under section  
20           181(f) of title 10, United States Code, as added by sub-  
21           section (a), shall be submitted under that section not later  
22           than 90 days after the date of the enactment of this Act.

**Subtitle F—Other Matters**

1                                   **Subtitle F—Other Matters**  
2 **SEC. 951. DEPARTMENT OF DEFENSE CONSIDERATION OF**  
3                                   **EFFECT OF CLIMATE CHANGE ON DEPART-**  
4                                   **MENT FACILITIES, CAPABILITIES, AND MIS-**  
5                                   **SIONS.**

6           *Section 118 of title 10, United States Code, is amended*  
7 *by adding at the end the following new subsection:*

8           “(g) *CONSIDERATION OF EFFECT OF CLIMATE*  
9 *CHANGE ON DEPARTMENT FACILITIES, CAPABILITIES, AND*  
10 *MISSIONS.—(1) The first national security strategy and na-*  
11 *tional defense strategy prepared after the date of the enact-*  
12 *ment of this subsection shall include guidance for military*  
13 *planners—*

14                           “(A) *to assess the risks of projected climate*  
15 *change to current and future missions of the armed*  
16 *forces;*

17                           “(B) *to update defense plans based on these as-*  
18 *sessments, including working with allies and partners*  
19 *to incorporate climate mitigation strategies, capacity*  
20 *building, and relevant research and development; and*

21                           “(C) *to develop the capabilities needed to reduce*  
22 *future impacts.*

23           “(2) *The first quadrennial defense review prepared*  
24 *after the date of the enactment of this subsection shall also*  
25 *examine the capabilities of the armed forces to respond to*

1 *the consequences of climate change, in particular, prepared-*  
2 *ness for natural disasters from extreme weather events and*  
3 *other missions the armed forces may be asked to support*  
4 *inside the United States and overseas.*

5       “(3) *For planning purposes to comply with the re-*  
6 *quirements of this subsection, the Secretary of Defense shall*  
7 *use—*

8               “(A) *the mid-range projections of the fourth as-*  
9 *essment report of the Intergovernmental Panel on*  
10 *Climate Change;*

11              “(B) *subsequent mid-range consensus climate*  
12 *projections if more recent information is available*  
13 *when the next national security strategy, national de-*  
14 *fense strategy, or quadrennial defense review, as the*  
15 *case may be, is conducted; and*

16              “(C) *findings of appropriate and available esti-*  
17 *mations or studies of the anticipated strategic, social,*  
18 *political, and economic effects of global climate*  
19 *change and the implications of such effects on the na-*  
20 *tional security of the United States.*

21       “(4) *In this subsection, the term ‘national security*  
22 *strategy’ means the annual national security strategy re-*  
23 *port of the President under section 108 of the National Se-*  
24 *curity Act of 1947 (50 U.S.C. 404a).”.*

1 **SEC. 952. INTERAGENCY POLICY COORDINATION.**

2       (a) *PLAN REQUIRED.*—Not later than 180 days after  
3 the date of the enactment of this Act, the Secretary of De-  
4 fense shall develop and submit to Congress a plan to to im-  
5 prove and reform the interagency coordination process on  
6 national security issues.

7       (b) *ELEMENTS.*—The elements of the plan shall include  
8 the following:

9           (1) *Assigning either the Under Secretary of De-*  
10 *fense for Policy or another official to be the lead pol-*  
11 *icy official for improving and reforming the inter-*  
12 *agency coordination process on national security*  
13 *issues for the Department of Defense, with an expla-*  
14 *nation of any decision to name an official other than*  
15 *the Under Secretary and the relative advantages and*  
16 *disadvantages of such decision.*

17           (2) *Giving the official assigned under paragraph*  
18 *(1) the following responsibilities:*

19               (A) *To be the lead person at the Department*  
20 *of Defense for the development of policy affecting*  
21 *the national security interagency process.*

22               (B) *To serve, or designate a person to serve,*  
23 *as the representative of the Department of De-*  
24 *fense in Federal Government forums established*  
25 *to address interagency policy, planning, or re-*  
26 *forms.*

1           (C) *To advocate, on behalf of the Secretary,*  
2 *for greater interagency coordination and con-*  
3 *tributions in the execution of the National Secu-*  
4 *rity Strategy and particularly specific oper-*  
5 *ational objectives undertaken pursuant to that*  
6 *strategy.*

7           (D) *To make recommendations to the Sec-*  
8 *retary of Defense on changes to existing Depart-*  
9 *ment of Defense regulations or laws to improve*  
10 *the interagency process.*

11           (E) *To serve as the coordinator for all plan-*  
12 *ning and training assistance that is—*

13                   (i) *designed to improve the interagency*  
14 *process or the capabilities of other agencies*  
15 *to work with the Department of Defense;*  
16 *and*

17                   (ii) *provided by the Department of De-*  
18 *fense at the request of other agencies.*

19           (F) *To serve as the lead official in Depart-*  
20 *ment of Defense for the development of deployable*  
21 *joint interagency task forces.*

22           (c) *FACTORS TO BE CONSIDERED.—In drafting the*  
23 *plan, the Secretary of Defense shall also consider the fol-*  
24 *lowing factors:*

1           (1) *How the official assigned under subsection*  
2 *(b)(1) shall provide input to the Secretary of Defense*  
3 *on an ongoing basis on how to incorporate the need*  
4 *to coordinate with other agencies into the establish-*  
5 *ment and reform of combatant commands.*

6           (2) *How such official shall develop and make*  
7 *recommendations to the Secretary of Defense on a reg-*  
8 *ular or an ongoing basis on changes to military and*  
9 *civilian personnel to improve interagency coordina-*  
10 *tion.*

11           (3) *How such official shall work with the com-*  
12 *batant command that has the mission for joint*  
13 *warfighting experimentation and other interested*  
14 *agencies to develop exercises to test and validate inter-*  
15 *agency planning and capabilities.*

16           (4) *How such official shall lead, coordinate, or*  
17 *participate in after-action reviews of operations, tests,*  
18 *and exercises to capture lessons learned regarding the*  
19 *functioning of the interagency process and how those*  
20 *lessons learned will be disseminated.*

21           (5) *The role of such official in ensuring that fu-*  
22 *ture defense planning guidance takes into account the*  
23 *capabilities and needs of other agencies.*

24           (d) *RECOMMENDATION ON CHANGES IN LAW.—The*  
25 *Secretary of Defense may submit with the plan or with any*

1 *future budget submissions recommendations for any*  
2 *changes to law that are required to enhance the ability of*  
3 *the official assigned under subsection (b)(1) in the Depart-*  
4 *ment of Defense to coordinate defense interagency efforts or*  
5 *to improve the ability of the Department of Defense to work*  
6 *with other agencies.*

7       *(e) ANNUAL REPORT.—If an official is named by the*  
8 *Secretary of Defense under subsection (b)(1), the official*  
9 *shall annually submit to Congress a report, beginning in*  
10 *the fiscal year following the naming of the official, on those*  
11 *actions taken by the Department of Defense to enhance na-*  
12 *tional security interagency coordination, the views of the*  
13 *Department of Defense on efforts and challenges in improv-*  
14 *ing the ability of agencies to work together, and suggestions*  
15 *on changes needed to laws or regulations that would en-*  
16 *hance the coordination of efforts of agencies.*

17       *(f) DEFINITION.—In this section, the term “inter-*  
18 *agency coordination”, within the context of Department of*  
19 *Defense involvement, means the coordination that occurs be-*  
20 *tween elements of the Department of Defense and engaged*  
21 *Federal Government agencies for the purpose of achieving*  
22 *an objective.*

23       *(g) CONSTRUCTION.—Nothing in this provision shall*  
24 *be construed as preventing the Secretary of Defense from*  
25 *naming an official with the responsibilities listed in sub-*

1 *section (b) before the submission of the report required*  
2 *under this section.*

3 **SEC. 953. EXPANSION OF EMPLOYMENT CREDITABLE**  
4 **UNDER SERVICE AGREEMENTS UNDER NA-**  
5 **TIONAL SECURITY EDUCATION PROGRAM.**

6 *Paragraph (2) of subsection (b) of section 802 of the*  
7 *David L. Boren National Security Education Act of 1991*  
8 *(50 U.S.C. 1902), as most recently amended by section 945*  
9 *of the John Warner National Defense Authorization Act for*  
10 *Fiscal Year 2007 (Public Law 109-364; 120 Stat. 2367),*  
11 *is amended—*

12 *(1) in subparagraph (A)—*

13 *(A) in clause (i) by striking “or” at the*  
14 *end; and*

15 *(B) by adding at the end the following:*

16 *“(iii) for not less than one academic*  
17 *year in a position in the field of education*  
18 *in a discipline related to the study sup-*  
19 *ported by the program if the recipient dem-*  
20 *onstrates to the Secretary of Defense that no*  
21 *position is available in the departments,*  
22 *agencies, and offices covered by clauses (i)*  
23 *and (ii); or”;* and

24 *(2) in subparagraph (B)—*

1           (A) in clause (i) by striking “or” at the  
2           end;

3           (B) in clause (ii) by striking “and” at the  
4           end and inserting “or”; and

5           (C) by adding at the end the following:

6                   “(iii) for not less than one academic  
7                   year in a position in the field of education  
8                   in a discipline related to the study sup-  
9                   ported by the program if the recipient dem-  
10                  onstrates to the Secretary of Defense that no  
11                  position is available in the departments,  
12                  agencies, and offices covered by clauses (i)  
13                  and (ii); and”.

14 **SEC. 954. STUDY OF NATIONAL SECURITY INTERAGENCY**  
15 **SYSTEM.**

16           (a) *STUDY REQUIRED.*—The Secretary of Defense may  
17           enter into an agreement with an independent, nonprofit,  
18           nonpartisan organization to conduct a study on the na-  
19           tional security interagency system.

20           (b) *REPORT.*—The agreement entered into under sub-  
21           section (a) shall require the organization to submit to Con-  
22           gress and the President a report containing the results of  
23           the study conducted pursuant to such agreement and any  
24           recommendations for changes to the national security inter-  
25           agency system (including legislative or regulatory changes).

1       (c) *SUBMISSION DATE.*—*The agreement entered into*  
 2 *under subsection (a) shall require the organization to sub-*  
 3 *mit the report required under subsection (b) not later than*  
 4 *180 days after the date on which the Secretary makes funds*  
 5 *appropriated pursuant to section 301(5) available to the or-*  
 6 *ganization.*

7       (d) *NATIONAL SECURITY INTERAGENCY SYSTEM DE-*  
 8 *FINED.*—*In this section, the term “national security inter-*  
 9 *agency system” means the structures, mechanisms, and*  
 10 *processes by which the departments, agencies, and elements*  
 11 *of the Federal Government that have national security mis-*  
 12 *sions integrate their policies, capabilities, expertise, and ac-*  
 13 *tivities to accomplish such missions.*

14       (e) *FUNDING.*—*Of the amounts authorized to be appro-*  
 15 *priated by section 301(5), not more than \$4,000,000 shall*  
 16 *be available to carry out this section.*

## 17   **TITLE X—GENERAL PROVISIONS**

### *Subtitle A—Financial Matters*

*Sec. 1001. General transfer authority.*

*Sec. 1002. United States contribution to NATO common-funded budgets in fiscal year 2008.*

### *Subtitle B—Policy Relating to Vessels and Shipyards*

*Sec. 1011. Limitation on leasing of foreign-built vessels.*

*Sec. 1012. Policy relating to major combatant vessels of the strike forces of the United States Navy.*

### *Subtitle C—Counter-Drug Activities*

*Sec. 1021. Extension of authority for joint task forces to provide support to law enforcement agencies conducting counter-terrorism activities.*

*Subtitle D—Reports*

- Sec. 1031. Extension and modification of report relating to hardened and deeply buried targets.*
- Sec. 1032. Comptroller General review of the Joint Improvised Explosive Device Defeat Organization.*
- Sec. 1033. Report on a national joint modeling and simulation development strategy.*

*Subtitle E—Other Matters*

- Sec. 1041. Enhancement of corrosion control and prevention functions within Department of Defense.*
- Sec. 1042. Support by National Guard for national special security events and other critical national security activities.*
- Sec. 1043. Improved authority to provide rewards for assistance in combating terrorism.*
- Sec. 1044. Revision of proficiency flying definition.*
- Sec. 1045. Support for non-Federal development and testing of material for chemical agent defense.*
- Sec. 1046. Congressional Commission on the Strategic Posture of the United States.*
- Sec. 1047. Technical and clerical amendments.*
- Sec. 1048. Repeal of certification requirement.*
- Sec. 1049. Prohibition on sale by Department of Defense of parts for F-14 fighter aircraft.*
- Sec. 1050. Maintenance of capability for space-based nuclear detection.*
- Sec. 1051. Additional weapons of mass destruction civil support teams.*
- Sec. 1052. Sense of Congress regarding need to replace Army M109 155mm self-propelled howitzer.*
- Sec. 1053. Sense of Congress regarding detainees at Naval Station, Guantanamo Bay, Cuba.*
- Sec. 1054. Repeal of provisions in section 1076 of Public Law 109-364 relating to use of Armed Forces in major public emergencies.*

1        ***Subtitle A—Financial Matters***

2        ***SEC. 1001. GENERAL TRANSFER AUTHORITY.***

3            *(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—*

- 4                    *(1) AUTHORITY.—Upon determination by the*
- 5            *Secretary of Defense that such action is necessary in*
- 6            *the national interest, the Secretary may transfer*
- 7            *amounts of authorizations made available to the De-*
- 8            *partment of Defense in this division for fiscal year*
- 9            *2008 between any such authorizations for that fiscal*
- 10           *year (or any subdivisions thereof). Amounts of au-*

1        *thorizations so transferred shall be merged with and*  
2        *be available for the same purposes as the authoriza-*  
3        *tion to which transferred.*

4            (2) *LIMITATION.—The total amount of author-*  
5        *izations that the Secretary may transfer under the*  
6        *authority of this section may not exceed*  
7        *\$4,500,000,000.*

8            (b) *LIMITATIONS.—The authority provided by this sec-*  
9        *tion to transfer authorizations—*

10            (1) *may only be used to provide authority for*  
11        *items that have a higher priority than the items from*  
12        *which authority is transferred; and*

13            (2) *may not be used to provide authority for an*  
14        *item that has been denied authorization by Congress.*

15            (c) *EFFECT ON AUTHORIZATION AMOUNTS.—A trans-*  
16        *fer made from one account to another under the authority*  
17        *of this section shall be deemed to increase the amount au-*  
18        *thorized for the account to which the amount is transferred*  
19        *by an amount equal to the amount transferred.*

20            (d) *NOTICE TO CONGRESS.—The Secretary shall*  
21        *promptly notify Congress of each transfer made under sub-*  
22        *section (a).*

23            (e) *PROHIBITION ON TRANSFERS FROM GUARD AND*  
24        *RESERVE ACCOUNTS.—Funds authorized in this division*  
25        *for an account of the National Guard or other reserve com-*

1 *ponents of the Armed Forces may not be a source of funds*  
2 *for transfer to a different account other than another ac-*  
3 *count of the National Guard or other reserve component.*

4 **SEC. 1002. UNITED STATES CONTRIBUTION TO NATO COM-**  
5 **MON-FUNDED BUDGETS IN FISCAL YEAR 2008.**

6 (a) *FISCAL YEAR 2008 LIMITATION.*—*The total*  
7 *amount contributed by the Secretary of Defense in fiscal*  
8 *year 2008 for the common-funded budgets of NATO may*  
9 *be any amount up to, but not in excess of, the amount speci-*  
10 *fied in subsection (b) (rather than the maximum amount*  
11 *that would otherwise be applicable to those contributions*  
12 *under the fiscal year 1998 baseline limitation).*

13 (b) *TOTAL AMOUNT.*—*The amount of the limitation*  
14 *applicable under subsection (a) is the sum of the following:*

15 (1) *The amounts of unexpended balances, as of*  
16 *the end of fiscal year 2007, of funds appropriated for*  
17 *fiscal years before fiscal year 2008 for payments for*  
18 *those budgets.*

19 (2) *The amount specified in subsection (c)(1).*

20 (3) *The amount specified in subsection (c)(2).*

21 (4) *The total amount of the contributions author-*  
22 *ized to be made under section 2501.*

23 (c) *AUTHORIZED AMOUNTS.*—*Amounts authorized to*  
24 *be appropriated by titles II and III of this Act are available*

1 *for contributions for the common-funded budgets of NATO*  
2 *as follows:*

3           (1) *Of the amount provided in section 201(1),*  
4 *\$1,031,000 for the Civil Budget.*

5           (2) *Of the amount provided in section 301(1),*  
6 *\$362,159,000 for the Military Budget.*

7 *(d) DEFINITIONS.—For purposes of this section:*

8           (1) *COMMON-FUNDED BUDGETS OF NATO.—The*  
9 *term “common-funded budgets of NATO” means the*  
10 *Military Budget, the Security Investment Program,*  
11 *and the Civil Budget of the North Atlantic Treaty Or-*  
12 *ganization (and any successor or additional account*  
13 *or program of NATO).*

14           (2) *FISCAL YEAR 1998 BASELINE LIMITATION.—*  
15 *The term “fiscal year 1998 baseline limitation”*  
16 *means the maximum annual amount of Department*  
17 *of Defense contributions for common-funded budgets of*  
18 *NATO that is set forth as the annual limitation in*  
19 *section 3(2)(C)(ii) of the resolution of the Senate giv-*  
20 *ing the advice and consent of the Senate to the ratifi-*  
21 *cation of the Protocols to the North Atlantic Treaty*  
22 *of 1949 on the Accession of Poland, Hungary, and the*  
23 *Czech Republic (as defined in section 4(7) of that res-*  
24 *olution), approved by the Senate on April 30, 1998.*

1           **Subtitle B—Policy Relating to**  
2                   **Vessels and Shipyards**

3   **SEC. 1011. LIMITATION ON LEASING OF FOREIGN-BUILT**  
4                   **VESSELS.**

5           (a) *IN GENERAL.*—

6                   (1) *CONTRACTS FOR LEASES FOR MORE THAN 24*  
7           *MONTHS.*—Chapter 141 of title 10, United States  
8           Code, is amended by inserting after section 2401a the  
9           following new section:

10   **“§ 2401b. Limitation on lease of foreign-built vessels**

11           “(a) *LIMITATION.*—The Secretary of a military de-  
12   partment may not make a contract for a lease or charter  
13   of a vessel for a term of more than 24 months (including  
14   all options to renew or extend the contract) if the hull, or  
15   a component of the hull and superstructure of the vessel,  
16   is constructed in a foreign shipyard.

17           “(b) *PRESIDENTIAL WAIVER FOR NATIONAL SECURITY*  
18   *INTEREST.*—(1) The President may authorize exceptions to  
19   the limitation in subsection (a) when the President deter-  
20   mines that it is in the national security interest of the  
21   United States to do so.

22           “(2) The President shall transmit notice to Congress  
23   of any such determination, and no contract may be made  
24   pursuant to the exception authorized until the end of the

1 30-day period beginning on the date on which the notice  
2 of the determination is received by Congress.”.

3 (2) *CLERICAL AMENDMENT.*—The table of sec-  
4 tions at the beginning of such chapter is amended by  
5 inserting after the item relating to section 2401a the  
6 following new item:

“2401b. *Limitation on lease of foreign-built vessels.*”.

7 (b) *EFFECTIVE DATE.*—Section 2401b of title 10,  
8 United States Code, as added by subsection (a), shall apply  
9 with respect to contracts entered into after the date of the  
10 enactment of this Act.

11 **SEC. 1012. POLICY RELATING TO MAJOR COMBATANT VES-**  
12 **SELS OF THE STRIKE FORCES OF THE UNITED**  
13 **STATES NAVY.**

14 (a) *INTEGRATED NUCLEAR POWER SYSTEMS.*—It is  
15 the policy of the United States to construct the major com-  
16 batant vessels of the strike forces of the United States Navy,  
17 including all new classes of such vessels, with integrated nu-  
18 clear power systems.

19 (b) *REQUIREMENT TO REQUEST NUCLEAR VESSELS.*—  
20 If a request is submitted to Congress in the budget for a  
21 fiscal year for construction of a new class of major combat-  
22 ant vessel for the strike forces of the United States, the re-  
23 quest shall be for such a vessel with an integrated nuclear  
24 power system, unless the Secretary of Defense submits with  
25 the request a notification to Congress that the inclusion of

1 *an integrated nuclear power system in such vessel is not*  
2 *in the national interest.*

3 *(c) DEFINITIONS.—In this section:*

4 *(1) MAJOR COMBATANT VESSELS OF THE STRIKE*  
5 *FORCES OF THE UNITED STATES NAVY.—The term*  
6 *“major combatant vessels of the strike forces of the*  
7 *United States Navy” means the following:*

8 *(A) Submarines.*

9 *(B) Aircraft carriers.*

10 *(C) Cruisers, battleships, or other large sur-*  
11 *face combatants whose primary mission includes*  
12 *protection of carrier strike groups, expeditionary*  
13 *strike groups, and vessels comprising a sea base.*

14 *(2) INTEGRATED NUCLEAR POWER SYSTEM.—The*  
15 *term “integrated nuclear power system” means a ship*  
16 *engineering system that uses a naval nuclear reactor*  
17 *as its energy source and generates sufficient electric*  
18 *energy to provide power to the ship’s electrical loads,*  
19 *including its combat systems and propulsion motors.*

20 *(3) BUDGET.—The term “budget” means the*  
21 *budget that is submitted to Congress by the President*  
22 *under section 1105(a) of title 31, United States Code.*

1 ***Subtitle C—Counter-Drug Activities***

2 ***SEC. 1021. EXTENSION OF AUTHORITY FOR JOINT TASK***  
 3 ***FORCES TO PROVIDE SUPPORT TO LAW EN-***  
 4 ***FORCEMENT AGENCIES CONDUCTING***  
 5 ***COUNTER-TERRORISM ACTIVITIES.***

6 *Section 1022(b) of the National Defense Authorization*  
 7 *Act for Fiscal Year 2004 (Public Law 108–136; 10 U.S.C.*  
 8 *371 note) is amended by striking “and 2007” and inserting*  
 9 *“through 2008”.*

10 ***Subtitle D—Reports***

11 ***SEC. 1031. EXTENSION AND MODIFICATION OF REPORT RE-***  
 12 ***LATING TO HARDENED AND DEEPLY BURIED***  
 13 ***TARGETS.***

14 *Section 1032 of the Bob Stump National Defense Au-*  
 15 *thorization Act for Fiscal Year 2003 (Public Law 107-314;*  
 16 *116 Stat. 2643; 10 U.S.C. 2358 note) is amended—*

17 *(1) in the heading, by striking “ANNUAL RE-*  
 18 ***PORT ON WEAPONS”*** *and inserting “REPORT ON*  
 19 ***CAPABILITIES”***;

20 *(2) in subsection (a)—*

21 *(A) in the heading, by striking “ANNUAL”;*

22 *(B) by striking “April 1 of each year” and*  
 23 *inserting “March 1, 2009, and every two years*  
 24 *thereafter.”;*

1           (C) by striking “Director of Central Intel-  
2           ligence” and inserting “Director of National In-  
3           telligence”;

4           (D) by striking “the preceding fiscal year”  
5           and inserting “the preceding two fiscal years  
6           and planned for the current fiscal year and the  
7           next fiscal year”; and

8           (E) by striking “to develop weapons” and  
9           inserting “to develop capabilities”;

10          (3) in subsection (b)—

11               (A) in the matter preceding paragraph (1),  
12               by striking “The report for a fiscal year” and  
13               inserting “A report submitted”;

14               (B) in paragraph (1), by striking “were un-  
15               dertaken during that fiscal year” and inserting  
16               “were or will be undertaken during the four-fis-  
17               cal-year period covered by the report”; and

18               (C) in paragraph (2) in the matter pre-  
19               ceding subparagraph (A), by striking “were un-  
20               dertaken during such fiscal year” and inserting  
21               “were or will be undertaken during the four-fis-  
22               cal-year period covered by the report”; and

23               (4) in subsection (d), by striking “April 1, 2007”  
24               and inserting “March 1, 2013”.

1 **SEC. 1032. COMPTROLLER GENERAL REVIEW OF THE JOINT**  
2 **IMPROVISED EXPLOSIVE DEVICE DEFEAT OR-**  
3 **GANIZATION.**

4 (a) *EVALUATION REQUIRED.*—*The Comptroller Gen-*  
5 *eral of the United States shall conduct a review of the Joint*  
6 *Improvised Explosive Device Defeat Organization and its*  
7 *activities.*

8 (b) *ANALYSES REQUIRED.*—*The review required by*  
9 *subsection (a) shall include an analysis of each of the fol-*  
10 *lowing:*

11 (1) *The appropriateness and efficacy of the ef-*  
12 *forts of the Organization to achieve its mission, in-*  
13 *cluding strategy, plans, technologies developed, and*  
14 *programs funded.*

15 (2) *The process used by the Organization to se-*  
16 *lect appropriate and effective technologies and other*  
17 *solutions to achieve its mission.*

18 (3) *The ability of the Organization to respond to*  
19 *rapidly changing threats and to anticipate future*  
20 *threats.*

21 (4) *The performance of the Organization in lead-*  
22 *ing, advocating, and coordinating all of the activities*  
23 *of the Department of Defense to defeat improvised ex-*  
24 *plosive devices and an assessment of the Organiza-*  
25 *tion's authority to do so.*



1 *details the Department's modeling and simulation coordi-*  
2 *nation efforts. Such a plan shall—*

3 *(1) identify the unique modeling and simulation*  
4 *capabilities of the components of the Department and*  
5 *the Combatant Commands;*

6 *(2) identify incentives to reduce duplicative mod-*  
7 *eling and simulation capabilities of the components of*  
8 *the Department and the Combatant Commands and*  
9 *recommend capabilities to be divested where such du-*  
10 *plication is not necessary;*

11 *(3) recommend capabilities to be leveraged from*  
12 *within other Federal agencies, national laboratories,*  
13 *State and local governments, academia, private in-*  
14 *dustry, and United States and international stand-*  
15 *ards organizations; and*

16 *(4) be capable of supporting joint training, ex-*  
17 *perimentation, systems acquisition, test and evalua-*  
18 *tion, assessment, and planning.*

19 *(b) SUBMISSION OF REPORT.—Not later than nine*  
20 *months after the date of the enactment of this Act, the Sec-*  
21 *retary shall submit the report under subsection (a).*

22 *(c) MATTERS TO BE INCLUDED.—The report under*  
23 *subsection (a) shall include the following:*

24 *(1) An identification and description of the types*  
25 *of joint training, experimentation, systems acquisi-*

1     *tion, test and evaluation, assessment, and planning*  
2     *that would be conducted using such a joint capability,*  
3     *together with a description of how such a joint capa-*  
4     *bility would enhance accomplishment of the four pri-*  
5     *orities as focus of the 2006 Quadrennial Defense Re-*  
6     *view (QDR) Report of the Secretary of Defense issued*  
7     *on February 6, 2006.*

8             *(2) A discussion of how establishment of such a*  
9     *joint capability would promote modeling and simula-*  
10    *tion innovation and transformation throughout the*  
11    *Department of Defense to improve operational capa-*  
12    *bilities and enhance national security.*

13            *(3) A methodology, framework, and options that*  
14    *include consideration of leveraging existing capabili-*  
15    *ties that would accommodate requirements among all*  
16    *the Armed Forces, including common infrastructure*  
17    *and data.*

18            *(4) A management plan for coordinating between*  
19    *functional and organizational stakeholders, as well as*  
20    *a plan to continuously introduce new modeling and*  
21    *simulation technologies and divest outdated capabili-*  
22    *ties.*

23            *(5) Options to allow non-defense users to access*  
24    *such a modeling and simulation capability, as appro-*

1        *appropriate, for homeland security and consequence man-*  
2        *agement for Federal, State, and local requirements.*

3                *(6) Cost estimates and resource requirements to*  
4        *establish and maintain such a strategy, including es-*  
5        *timates of costs and resource requirements for the use*  
6        *of government civilian and military, and contract*  
7        *personnel for the performance of management, oper-*  
8        *ational, and logistics activities for such a capability.*

9                *(7) An explanation of the relationship between*  
10        *and among such a capability and the Office of the*  
11        *Secretary of Defense, the Joint Staff, the military de-*  
12        *partments, commanders of combatant commands,*  
13        *Federal agencies, national laboratories, State and*  
14        *local governments, academia, private industry,*  
15        *United States and international standards organiza-*  
16        *tions, and international partners with responsibility*  
17        *to use modeling and simulation to meet their mission.*

18                *(8) A timeline for the establishment of such a ca-*  
19        *pability and for such a capability to achieve—*

20                        *(A) initial operational capability; and*

21                        *(B) full operational capability.*

22                *(9) At least two alternative modeling and sim-*  
23        *ulation coordination plans, including a Joint Mod-*  
24        *eling and Simulation Development Strategy, provided*  
25        *that such plans include the required matters in sub-*

1        *section (a) and subsection (c), excluding subsection*  
2        *(c)(8), and provided that such reports were submitted*  
3        *to the Secretary by a commander of a Unified Com-*  
4        *batant Command or Service Chief.*

5                    ***Subtitle E—Other Matters***

6        ***SEC. 1041. ENHANCEMENT OF CORROSION CONTROL AND***  
7                    ***PREVENTION FUNCTIONS WITHIN DEPART-***  
8                    ***MENT OF DEFENSE.***

9            *(a) OFFICE OF CORROSION POLICY AND OVERSIGHT.—*  
10        *(1) Section 2228 of title 10, United States Code, is amended*  
11        *by striking the section heading and subsection (a) and in-*  
12        *serting the following:*

13        ***“§ 2228. Office of Corrosion Policy and Oversight***

14            *“(a) OFFICE AND DIRECTOR.—(1) There is an Office*  
15        *of Corrosion Policy and Oversight within the Office of the*  
16        *Under Secretary of Defense for Acquisition, Technology,*  
17        *and Logistics.*

18            *“(2) The Office shall be headed by a Director of Corro-*  
19        *sion Policy and Oversight, who shall be assigned to such*  
20        *position by the Under Secretary from among civilian em-*  
21        *ployees of the Department of Defense with the qualifications*  
22        *described in paragraph (3). The Director is responsible in*  
23        *the Department of Defense to the Secretary of Defense (after*  
24        *the Under Secretary of Defense for Acquisition, Technology,*  
25        *and Logistics) for the prevention and mitigation of corro-*

1 *sion of the military equipment and infrastructure of the*  
2 *Department of Defense. The Director shall report directly*  
3 *to the Under Secretary.*

4 “(3) *In order to qualify to be assigned to the position*  
5 *of Director, an individual shall—*

6 “(A) *have management expertise in, and profes-*  
7 *sional experience with, corrosion project and policy*  
8 *implementation, including an understanding of the*  
9 *effects of corrosion policies on infrastructure; research,*  
10 *development, test, and evaluation; and maintenance;*  
11 *and*

12 “(B) *have an understanding of Department of*  
13 *Defense budget formulation and execution, policy for-*  
14 *mulation, and planning and program requirements.*

15 “(4) *The Secretary of Defense shall designate the posi-*  
16 *tion of Director as a critical acquisition position under sec-*  
17 *tion 1733(b)(1)(C) of this title.”.*

18 (2) *Section 2228(b) of such title is amended—*

19 (A) *in paragraph (1), by striking “official or or-*  
20 *ganization designated under subsection (a)” and in-*  
21 *serting “Director of Corrosion Policy and Oversight*  
22 *(in this section referred to as the ‘Director’); and*

23 (B) *in paragraphs (2), (3), (4), and (5), by*  
24 *striking “designated official or organization” and in-*  
25 *serting “Director”.*

1           (b) *ADDITIONAL AUTHORITY FOR DIRECTOR OF OF-*  
2 *FICE.*—Section 2228 of such title is further amended—

3                   (1) *by redesignating subsections (c) and (d) as*  
4 *subsections (d) and (f), respectively; and*

5                   (2) *by inserting after subsection (b) the following*  
6 *new subsection:*

7           “(c) *ADDITIONAL AUTHORITIES FOR DIRECTOR.*—The  
8 *Director is authorized to—*

9                   “(1) *develop, update, and coordinate corrosion*  
10 *training with the Defense Acquisition University;*

11                   “(2) *participate in the process within the De-*  
12 *partment of Defense for the development of relevant*  
13 *directives and instructions; and*

14                   “(3) *interact directly with the corrosion preven-*  
15 *tion industry, trade associations, and scientific orga-*  
16 *nizations engaged in corrosion prevention, including*  
17 *the National Academy of Sciences.”.*

18           (c) *REPORT REQUIREMENT.*—Section 2228 of such  
19 *title is further amended by inserting after subsection (d)*  
20 *(as redesignated by subsection (b)) the following new sub-*  
21 *section:*

22                   “(e) *REPORT.*—(1) *For each budget for a fiscal year,*  
23 *beginning with the budget for fiscal year 2009, the Sec-*  
24 *retary of Defense shall submit, with the defense budget ma-*  
25 *terials, a report on the following:*

1           “(A) *Funding requirements for the long-term*  
2           *strategy developed under subsection (d).*”

3           “(B) *The return on investment that would be*  
4           *achieved by implementing the strategy.*”

5           “(C) *The funds requested in the budget compared*  
6           *to the funding requirements.*”

7           “(D) *A justification if the funding requirements*  
8           *are not fully funded in the budget.*”

9           “(2) *Within 60 days after submission of the budget for*  
10          *a fiscal year, the Comptroller General shall provide to the*  
11          *congressional defense committees—*

12          “(A) *an analysis of the budget submission for corrosion*  
13          *control and prevention by the Department of Defense; and*

14          “(B) *an analysis of the report required under para-*  
15          *graph (1).”.*

16          (d) *DEFINITIONS.—Subsection (f) of section 2228 of*  
17          *such title, as redesignated by subsection (b), is amended by*  
18          *adding at the end the following new paragraphs:*

19                  “(4) *The term ‘budget’, with respect to a fiscal*  
20                  *year, means the budget for that fiscal year that is*  
21                  *submitted to Congress by the President under section*  
22                  *1105(a) of title 31.*

23                  “(5) *The term ‘defense budget materials’, with*  
24                  *respect to a fiscal year, means the materials sub-*

1       mitted to Congress by the Secretary of Defense in sup-  
2       port of the budget for that fiscal year.”.

3   **SEC. 1042. SUPPORT BY NATIONAL GUARD FOR NATIONAL**  
4                   **SPECIAL SECURITY EVENTS AND OTHER**  
5                   **CRITICAL NATIONAL SECURITY ACTIVITIES.**

6       (a) *IN GENERAL.*—Chapter 1 of title 32, United States  
7   Code, is amended by adding at the end the following new  
8   section:

9   **“§ 116. Defense support of civil authorities**

10       “(a) *IN GENERAL.*—At the request of a Federal depart-  
11   ment or agency head in accordance with this section, and  
12   when authorized by the Secretary of Defense, the Governor  
13   of a State may employ under this title units or members  
14   of the National Guard of that State to provide defense sup-  
15   port of civil authorities to the requesting Federal depart-  
16   ment or agency.

17       “(b) *ACTIVITIES INCLUDED IN DEFENSE SUPPORT OF*  
18   *CIVIL AUTHORITIES.*—Defense support of civil authorities  
19   activities authorized by subsection (a) include support pro-  
20   vided for national special security events and other activi-  
21   ties determined by the Secretary of Defense as being critical  
22   to national security, including—

23               “(1) ground reconnaissance activities;

24               “(2) airborne reconnaissance activities;

25               “(3) logistical support;

1           “(4) *emergency medical assistance and services;*

2           “(5) *communications services;*

3           “(6) *security assistance and services; and*

4           “(7) *air and ground transportation.*

5           “(c) *REIMBURSEMENT.—(1) Subject to the exceptions*  
6 *in paragraph (3), the costs incurred by the National Guard*  
7 *shall be reimbursed to the Department of Defense from the*  
8 *appropriations available to the Federal department or*  
9 *agency to which the support is provided. The reimburse-*  
10 *ment shall include the costs of—*

11           “(A) *the pay, allowances, clothing, subsistence,*  
12 *gratuities, travel, and related expenses of personnel of*  
13 *the National Guard of that State;*

14           “(B) *the operation and maintenance of the*  
15 *equipment and facilities of the National Guard of*  
16 *that State; and*

17           “(C) *the procurement of services and equipment,*  
18 *and the leasing of equipment, for the National Guard*  
19 *of that State.*

20           “(2) *Any funds received by the Department of Defense*  
21 *as reimbursement for support provided by units or members*  
22 *of the National Guard under this section shall be credited,*  
23 *at the option of the Secretary of Defense, to—*

24           “(A) *the appropriation, fund, or account from*  
25 *which funds were expended for the support; or*

1           “(B) the appropriate appropriation, fund, or ac-  
2           count currently available for such purpose.

3           “(3) A Federal department or agency to which support  
4 is provided under this section is not required to reimburse  
5 the Department of Defense for such support if the Secretary  
6 of Defense waives reimbursement. The Secretary of Defense  
7 may waive the reimbursement requirement under this sec-  
8 tion if—

9           “(A) the support is provided in the normal  
10          course of military training or operations; or

11          “(B) the support provided results in a benefit to  
12          units or members of the National Guard providing  
13          the support that is substantially equivalent to that  
14          which would otherwise be obtained from military op-  
15          erations or training.

16          “(d) *REQUIREMENTS FOR REQUESTS.*—Requests for  
17 assistance from Federal departments or agencies under this  
18 section shall be submitted to the Secretary of Defense. Any  
19 such request shall include the following:

20           “(1) The specific support capability requested.

21           “(2) The duration of the requested support ac-  
22          tivities.

23           “(3) A certification that the requested support  
24          activities will be fully reimbursable.

1           “(4) *A certification from the Governor of the*  
2           *State concerned that the requested support will be*  
3           *provided at a time when the personnel involved are*  
4           *not in Federal service.*

5           “(e) *CHARACTERIZATION OF SERVICE.—All duty per-*  
6           *formed under this section shall be considered to be full-time*  
7           *National Guard duty under section 502(f) of this title.*

8           “(f) *DURATION OF SUPPORT.—The period for which*  
9           *support may be provided to a Federal department or agency*  
10          *under this section shall be limited to 180 days. When re-*  
11          *quested by the head of a Federal department or agency, the*  
12          *Secretary of Defense may, with the concurrence of the Gov-*  
13          *ernor of the State concerned, extend the period of time for*  
14          *an additional 90 days to meet extraordinary circumstances.*

15          “(g) *TRAINING AND BENEFITS.—(1) A member of the*  
16          *National Guard performing duty under this section shall,*  
17          *in addition to performing such duty, participate in the*  
18          *training required under section 502(a) of this title. The*  
19          *pay, allowances, and other benefits of the member while*  
20          *participating in the training shall be the same as those to*  
21          *which the member is entitled while performing the duty*  
22          *under this section. The member is not entitled to additional*  
23          *pay, allowances, or other benefits for participation in train-*  
24          *ing required under section 502(a)(1) of this title.*

1       “(2) *To ensure that the use of units and personnel of*  
2 *the National Guard of a State for activities specified in*  
3 *subsection (b) does not degrade the training and readiness*  
4 *of such units and personnel, the following requirements*  
5 *shall apply in determining the activities that units and per-*  
6 *sonnel of the National Guard of a State may perform:*

7               “(A) *The performance of the activities may not*  
8 *affect adversely the quality of that training or other-*  
9 *wise interfere with the ability of a member or unit of*  
10 *the National Guard to perform the military functions*  
11 *of the member or unit.*

12               “(B) *The performance of the activities may not*  
13 *degrade the military skills of the members of the Na-*  
14 *tional Guard performing those activities.*

15       “(h) *LIMITATION ON PROVISION OF SUPPORT ACTIVI-*  
16 *TIES.—Defense support of civil authorities activities con-*  
17 *ducted under authority of this section may not be provided*  
18 *if the provision of such support will affect adversely the*  
19 *military preparedness of the United States.*

20       “(i) *RELATIONSHIP TO OTHER AUTHORITIES.—Noth-*  
21 *ing in this section shall be construed as a limitation on*  
22 *the authority of any unit of the National Guard of a State,*  
23 *when such unit is not in Federal service, to perform func-*  
24 *tions authorized to be performed by the National Guard by*  
25 *the laws of the State concerned.*

1 “(j) *DEFINITIONS.*—*For purposes of this section:*

2 “(1) *The term ‘State’ means each of the several*  
3 *States, the District of Columbia, the Commonwealth*  
4 *of Puerto Rico, or a territory or possession of the*  
5 *United States.*

6 “(2) *The term ‘national special security event’*  
7 *means an event designated as such as authorized by*  
8 *the President that, by virtue of its political, economic,*  
9 *social, or religious significance, may be the target of*  
10 *terrorism or other criminal activity.”.*

11 *(b) CLERICAL AND CONFORMING AMENDMENTS.*—

12 (1) *The table of sections at the beginning of such*  
13 *chapter is amended by adding at the end the fol-*  
14 *lowing new item:*

*“116. Defense support of civil authorities.”.*

15 (2) *Section 115(i)(13) of title 10, United States*  
16 *Code, is amended by inserting “or defense support of*  
17 *civil authorities under section 116 of such title” after*  
18 *“title 32”.*

19 **SEC. 1043. IMPROVED AUTHORITY TO PROVIDE REWARDS**  
20 **FOR ASSISTANCE IN COMBATING TERRORISM.**

21 *(a) INCREASED AMOUNTS.*—*Section 127b of title 10,*  
22 *United States Code, is amended—*

23 (1) *in subsection (b), by striking “\$200,000” and*  
24 *inserting “\$5,000,000”;*

1           (2) in subsection (c)(1)(B), by striking  
2           “\$50,000” and inserting “\$1,000,000”; and

3           (3) in subsection (d)(2), by striking “\$100,000”  
4           and inserting “\$2,000,000”.

5           (b) *INVOLVEMENT OF ALLIED FORCES*.—Such section  
6 is further amended—

7           (1) in subsection (a)—

8                   (A) in the matter preceding paragraph (1),  
9                   by inserting after “United States Government  
10                   personnel” the following: “, or government per-  
11                   sonnel of allied forces participating in a com-  
12                   bined operation with the armed forces,”;

13                   (B) in paragraph (1), by inserting after  
14                   “armed forces” the following: “, or of allied  
15                   forces participating in a combined operation  
16                   with the armed forces,”; and

17                   (C) in paragraph (2), by inserting after  
18                   “armed forces” the following: “, or of allied  
19                   forces participating in a combined operation  
20                   with the armed forces”; and

21           (2) in subsection (c), by adding at the end the  
22 following:

23           “(3)(A) Subject to subparagraphs (B) and (C), an offi-  
24 cial who has authority delegated under paragraph (1) or

1 (2) may use that authority, acting through government per-  
2 sonnel of allied forces, to offer and make rewards.

3 “(B) The Secretary of Defense shall prescribe policies  
4 and procedures for making rewards in the manner described  
5 in subparagraph (A), which shall include guidance for the  
6 accountability of funds used for making rewards in that  
7 manner. The policies and procedures shall not take effect  
8 until 30 days after the date on which the Secretary submits  
9 the policies and procedures to the congressional defense com-  
10 mittees. Rewards may not be made in the manner described  
11 in subparagraph (A) except under policies and procedures  
12 that have taken effect.

13 “(C) Rewards may not be made in the manner de-  
14 scribed in subparagraph (A) after September 30, 2010.

15 “(D) Not later than April 1, 2008, the Secretary of  
16 Defense shall submit to the congressional defense committees  
17 a report on the implementation of this paragraph. The re-  
18 port shall identify each reward made in the manner de-  
19 scribed in subparagraph (A) and, for each such reward—

20 “(i) identify the type, amount, and recipient of  
21 the reward;

22 “(ii) explain the reason for making the reward;  
23 and

24 “(iii) assess the success of the reward in advanc-  
25 ing the effort to combat terrorism.”.

1       (c) *ANNUAL REPORT TO INCLUDE SPECIFIC INFORMA-*  
2 *TION ON ADDITIONAL AUTHORITY.*—Section 127b of title  
3 10, United States Code, is further amended in subsection  
4 (f)(2) by adding at the end the following new subparagraph:

5               “(D) Information on the implementation of  
6 paragraph (3) of subsection (c).”.

7 **SEC. 1044. REVISION OF PROFICIENCY FLYING DEFINITION.**

8       Subsection (c) of section 2245 of title 10, United States  
9 Code, is amended to read as follows:

10       “(c) In this section, the term ‘proficiency flying’ means  
11 flying performed under competent orders by a rated or des-  
12 ignated member of the armed forces while serving in a non-  
13 aviation assignment or in an assignment in which skills  
14 would normally not be maintained in the performance of  
15 assigned duties.”.

16 **SEC. 1045. SUPPORT FOR NON-FEDERAL DEVELOPMENT**  
17 **AND TESTING OF MATERIAL FOR CHEMICAL**  
18 **AGENT DEFENSE.**

19       (a) *AUTHORITY TO PROVIDE TOXIC CHEMICALS OR*  
20 *PRECURSORS.*—

21               (1) *IN GENERAL.*—The Secretary of Defense, in  
22 coordination with the heads of other elements of the  
23 Federal Government, may make available, to a State,  
24 a unit of local government, or a private entity incor-  
25 porated in the United States, small quantities of a

1       *toxic chemical or precursor for the development or*  
2       *testing, in the United States, of material that is de-*  
3       *signed to be used for protective purposes.*

4               (2) *TERMS AND CONDITIONS.*—*Any use of the*  
5       *authority under paragraph (1) shall be subject to such*  
6       *terms and conditions as the Secretary considers ap-*  
7       *propriate.*

8       (b) *PAYMENT OF COSTS AND DISPOSITION OF*  
9       *FUNDS.*—

10              (1) *IN GENERAL.*—*The Secretary shall ensure,*  
11       *through the advance payment required by paragraph*  
12       *(2) and through any other payments that may be re-*  
13       *quired, that a recipient of toxic chemicals or precu-*  
14       *sors under subsection (a) pays for all actual costs, in-*  
15       *cluding direct and indirect costs, associated with pro-*  
16       *viding the toxic chemicals or precursors.*

17              (2) *ADVANCE PAYMENT.*—*In carrying out para-*  
18       *graph (1), the Secretary shall require each recipient*  
19       *to make an advance payment in an amount that the*  
20       *Secretary determines will equal all such actual costs.*

21              (3) *CREDITS.*—*A payment received under this*  
22       *subsection shall be credited to the account that was*  
23       *used to cover the costs for which the payment was*  
24       *provided. Amounts so credited shall be merged with*  
25       *amounts in that account, and shall be available for*

1        *the same purposes, and subject to the same conditions*  
2        *and limitations, as other amounts in that account.*

3        (c) *CHEMICAL WEAPONS CONVENTION.*—*The Secretary*  
4        *shall ensure that toxic chemicals and precursors are made*  
5        *available under this section for uses and in quantities that*  
6        *comply with the Convention on the Prohibition of the Devel-*  
7        *opment, Production, Stockpiling and Use of Chemical*  
8        *Weapons and on Their Destruction, signed at Paris on Jan-*  
9        *uary 13, 1993, and entered into force with respect to the*  
10       *United States on April 29, 1997.*

11       (d) *DEFINITIONS.*—*In this section, the terms “pre-*  
12       *cursor”, “protective purposes”, and “toxic chemical” have*  
13       *the meanings given those terms in the convention referred*  
14       *to in subsection (c), in paragraph 2, paragraph 9(b), and*  
15       *paragraph 1, respectively, of article II of that convention.*

16       **SEC. 1046. CONGRESSIONAL COMMISSION ON THE STRA-**  
17       **TEGIC POSTURE OF THE UNITED STATES.**

18       (a) *ESTABLISHMENT.*—*There is hereby established a*  
19       *commission to be known as the “Congressional Commission*  
20       *on the Strategic Posture of the United States”. The purpose*  
21       *of the commission is to examine and make recommenda-*  
22       *tions with respect to the long-term strategic posture of the*  
23       *United States.*

24       (b) *COMPOSITION.*—

1           (1) *MEMBERSHIP.*—*The commission shall be*  
2           *composed of 12 members appointed as follows:*

3                   (A) *Three by the chairman of the Committee*  
4                   *on Armed Services of the House of Representa-*  
5                   *tives.*

6                   (B) *Three by the ranking minority member*  
7                   *of the Committee on Armed Services of the House*  
8                   *of Representatives.*

9                   (C) *Three by the chairman of the Committee*  
10                   *on Armed Services of the Senate.*

11                   (D) *Three by the ranking minority member*  
12                   *of the Committee on Armed Services of the Sen-*  
13                   *ate.*

14           (2) *CHAIRMAN; VICE CHAIRMAN.*—

15                   (A) *IN GENERAL.*—*The chairman of the*  
16                   *Committee on Armed Services of the House of*  
17                   *Representatives and the chairman of the Com-*  
18                   *mittee on Armed Services of the Senate shall*  
19                   *jointly designate one member of the commission*  
20                   *to serve as chairman of the commission and one*  
21                   *member to serve as vice chairman.*

22                   (B) *CONSULTATION.*—*The designations*  
23                   *under subparagraph (A) shall be made in con-*  
24                   *sultation with the ranking minority members of*  
25                   *the committees described in that subparagraph.*

1           (3) *PERIOD OF APPOINTMENT; VACANCIES.*—  
2           *Members shall be appointed for the life of the commis-*  
3           *sion. Any vacancy in the commission shall be filled*  
4           *in the same manner as the original appointment.*

5           (c) *DUTIES.*—

6           (1) *REVIEW.*—*The commission shall conduct a*  
7           *review of the strategic posture of the United States,*  
8           *including a strategic threat assessment and a detailed*  
9           *review of nuclear weapons policy, strategy, and force*  
10          *structure.*

11          (2) *ASSESSMENT AND RECOMMENDATIONS.*—

12          (A) *ASSESSMENT.*—*The commission shall*  
13          *assess the benefits and risks associated with the*  
14          *current strategic posture and nuclear weapons*  
15          *policies of the United States.*

16          (B) *RECOMMENDATIONS.*—*The commission*  
17          *shall make recommendations as to the most ap-*  
18          *propriate strategic posture and most effective nu-*  
19          *clear weapons strategy.*

20          (d) *COOPERATION FROM GOVERNMENT.*—

21          (1) *COOPERATION.*—*In carrying out its duties,*  
22          *the commission shall receive the full and timely co-*  
23          *operation of the Secretary of Defense, the Secretary of*  
24          *Energy, the Secretary of State, the Director of Na-*  
25          *tional Intelligence, and any other United States Gov-*

1        *ernment official in providing the commission with*  
2        *analyses, briefings, and other information necessary*  
3        *for the fulfillment of its responsibilities.*

4            (2) *LIAISON.*—*The Secretary of Defense, the Sec-*  
5        *retary of Energy, the Secretary of State, and the Di-*  
6        *rector of National Intelligence shall each designate at*  
7        *least one officer or employee of the Department of De-*  
8        *fense, the Department of Energy, the Department of*  
9        *State, and the intelligence community, respectively, to*  
10       *serve as a liaison officer between the department (or*  
11       *the intelligence community, as the case may be) and*  
12       *the commission.*

13       (e) *REPORT.*—*Not later than December 1, 2008, the*  
14       *commission shall submit to the President, the Secretary of*  
15       *Defense, the Secretary of Energy, the Secretary of State,*  
16       *the Committee on Armed Services of the Senate, and the*  
17       *Committee on Armed Services of the House of Representa-*  
18       *tives a report on the commission’s findings, conclusions,*  
19       *and recommendations. The report shall identify the stra-*  
20       *tegic posture and nuclear weapons strategy recommended*  
21       *under subsection (c)(2)(B) and shall include—*

22            (1) *the military capabilities and force structure*  
23        *necessary to support the strategy, including conven-*  
24        *tional means of providing global strike capabilities;*

1           (2) *the number of nuclear weapons required to*  
2           *support the strategy, including the number of replace-*  
3           *ment warheads required, if any;*

4           (3) *the appropriate qualitative analysis, includ-*  
5           *ing force-on-force exchange modeling, to calculate the*  
6           *effectiveness of the strategy under various scenarios;*

7           (4) *the nuclear infrastructure (that is, the size of*  
8           *the nuclear complex) required to support the strategy;*

9           (5) *an assessment of the role of missile defenses*  
10          *in the strategy;*

11          (6) *an assessment of the role of nonproliferation*  
12          *programs in the strategy;*

13          (7) *the political and military implications of the*  
14          *strategy for the United States and its allies; and*

15          (8) *any other information or recommendations*  
16          *relating to the strategy (or to the strategic posture)*  
17          *that the commission considers appropriate.*

18          (f) *FUNDING.*—*Of the amounts appropriated or other-*  
19          *wise made available pursuant to this Act to the Department*  
20          *of Defense, \$5,000,000 is available to fund the activities of*  
21          *the commission.*

22          (g) *TERMINATION.*—*The commission shall terminate*  
23          *on June 1, 2009.*

1           (h) *CONFORMING REPEAL.*—Section 1051 of the Na-  
2           tional Defense Authorization Act for Fiscal Year 2006 (Pub-  
3           lic Law 109-163; 119 Stat. 3431) is repealed.

4           **SEC. 1047. TECHNICAL AND CLERICAL AMENDMENTS.**

5           (a) *TITLE 10, UNITED STATES CODE.*—Title 10,  
6           United States Code, is amended as follows:

7                   (1) Chapter 3 is amended—

8                           (A) by redesignating the section 127c added  
9                           by section 1201(a) of the John Warner National  
10                           Defense Authorization Act for Fiscal Year 2007  
11                           (Public Law 109–364; 120 Stat. 2410) as section  
12                           127d and transferring that section so as to ap-  
13                           pear immediately after the section 127c added by  
14                           section 1231(a) of the National Defense Author-  
15                           ization Act for Fiscal Year 2006 (Public Law  
16                           109–163; 119 Stat. 3467); and

17                           (B) by revising the table of sections at the  
18                           beginning of such chapter to reflect the redesign-  
19                           ation and transfer made by paragraph (1).

20                   (2) Section 629(d)(1) is amended by inserting a  
21                   comma after “(a)”.

22                   (3) Section 637(b)(3) is amended by striking  
23                   “section 1251(b)” and inserting “section 1253”.

1           (4) Section 662(b) is amended by striking “para-  
2           graphs (1), (2), and (3) of subsection (a)” and insert-  
3           ing “paragraphs (1) and (2) of subsection (a)”.

4           (5) Section 1034(b)(2) is amended by inserting  
5           “unfavorable” before “action” the second place it ap-  
6           pears.

7           (6) Section 1076b(j) is amended—

8                   (A) by striking “section 205(9)” and insert-  
9                   ing “205(10)”; and

10                   (B) by striking “1970)” and inserting  
11                   “1970 (title II of Public Law 91–373; 26 U.S.C.  
12                   3304 note))”.

13           (7) The table of sections at the beginning of  
14           chapter 137 is amended by striking the item relating  
15           to section 2333 and inserting the following new item:

“2333. Joint policies on requirements definition, contingency program manage-  
          ment, and contingency contracting.”.

16           (8) The table of sections at the beginning of  
17           chapter 141 is amended by inserting a period at the  
18           end of the item relating to section 2410p.

19           (9) The table of sections at the beginning of  
20           chapter 152 is amended by inserting a period at the  
21           end of the item relating to section 2567.

22           (10) Section 2583(e) is amended by striking  
23           “DOGS” and inserting “ANIMALS”.

1           (11) *Section 2668(e) is amended by striking*  
2           *“and (d)” and inserting “and (e)”.*

3           (12) *Section 12304(a) is amended by striking the*  
4           *second period at the end.*

5           (13) *Section 14310(d)(1) is amended by insert-*  
6           *ing a comma after “(a)”.*

7           (b) *TITLE 37, UNITED STATES CODE.—Section*  
8           *302c(d)(1) of title 37, United States Code, is amended by*  
9           *striking “Services Corps” and inserting “Service Corps”.*

10          (c) *JOHN WARNER NATIONAL DEFENSE AUTHORIZA-*  
11          *TION ACT FOR FISCAL YEAR 2007.—Effective as of October*  
12          *17, 2006, and as if included therein as enacted, the John*  
13          *Warner National Defense Authorization Act for Fiscal Year*  
14          *2007 (Public Law 109–364) is amended as follows:*

15               (1) *Section 333(a) (120 Stat. 2150) is amend-*  
16               *ed—*

17                       (A) *by striking “Section 332(c)” and insert-*  
18                       *ing “Section 332”; and*

19                       (B) *in paragraph (1), by inserting “in sub-*  
20                       *section (c),” after “(1)”.*

21               (2) *Section 348(2) (120 Stat. 2159) is amended*  
22               *by striking “60 days of” and inserting “60 days*  
23               *after”.*

24               (3) *Section 511(a)(2)(D)(i) (120 Stat. 2182) is*  
25               *amended by inserting a comma after “title”.*

1           (4) *Section 591(b)(1) (120 Stat. 2233) is amend-*  
2 *ed by inserting a period after “this title”.*

3           (5) *Section 606(b)(1)(A) (120 Stat. 2246) is*  
4 *amended by striking “in” and inserting “In”.*

5           (6) *Section 670(b) (120 Stat. 2269) is amended*  
6 *by striking “such title” and inserting “such chapter”.*

7           (7) *Section 673 (120 Stat. 2271) is amended—*

8                 (A) *in subsection (a)(1), by inserting “the*  
9 *second place it appears” before “and inserting”;*

10                (B) *in subsection (b)(1)—*

11                     (i) *by striking “Section” and inserting*  
12 *“Subsection (a) of section”;* and

13                     (ii) *by inserting “the second place it*  
14 *appears” before “and inserting”;* and

15                 (C) *in subsection (c)(1), by inserting “the*  
16 *second place it appears” before “and inserting”.*

17           (8) *Section 842(a)(2) (120 Stat. 2337) is amend-*  
18 *ed by striking “adding at the end” and inserting “in-*  
19 *serting after the item relating to section 2533a”.*

20           (9) *Section 1017(b)(2) (120 Stat. 2379; 10*  
21 *U.S.C. 2631 note) is amended by striking “section*  
22 *27” and all that follows through the period at the end*  
23 *and inserting “sections 12112 and 50501 and chapter*  
24 *551 of title 46, United States Code.”.*

1           (10) Section 1071(f) (120 Stat. 2402) is amend-  
2           ed by striking “identical” both places it appears.

3           (11) Section 1231(d) (120 Stat. 2430; 22 U.S.C.  
4           2776a(d)) is amended by striking “note”.

5           (12) Section 2404(b)(2)(A)(ii) (120 Stat. 2459)  
6           is amended by striking “2906 of such Act” and in-  
7           serting “2906A of such Act”.

8           (13) Section 2831 (120 Stat. 2480) is amend-  
9           ed—

10           (A) by striking “Section 2667(d)” and in-  
11           serting “Section 2667(e)”; and

12           (B) by inserting “as redesignated by section  
13           662(b)(1) of this Act,” after “Code,”.

14           (d) PUBLIC LAW 109–366.—Effective as of October 17,  
15           2006, and as if included therein as enacted, Public Law  
16           109–366 is amended as follows:

17           (1) Section 8(a)(3) (120 Stat. 2636) is amended  
18           by inserting a semicolon after “subsection”.

19           (2) Section 9(1) (120 Stat. 2636) is amended by  
20           striking “No. 1.” and inserting “No. 1,”.

21           (e) NATIONAL DEFENSE AUTHORIZATION ACT FOR  
22           FISCAL YEAR 2006.—Effective as of January 6, 2006, and  
23           as if included therein as enacted, the National Defense Au-  
24           thorization Act for Fiscal Year 2006 (Public Law 109–163)  
25           is amended as follows:

1           (1) *Section 571 (119 Stat. 3270) is amended by*  
2           *striking “931 et seq.” and inserting “921 et seq.”.*

3           (2) *Section 1052(j) (119 Stat. 3435) is amended*  
4           *by striking “Section 1049” and inserting “Section*  
5           *1409”.*

6           (f) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*  
7           *FISCAL YEAR 2004.—The National Defense Authorization*  
8           *Act for Fiscal Year 2004 (Public Law 108–136) is amended*  
9           *as follows:*

10           (1) *Section 706(a) (117 Stat. 1529; 10 U.S.C.*  
11           *1076b note) is amended by striking “those program”*  
12           *and inserting “those programs”.*

13           (2) *Section 1413(a) (117 Stat. 1665; 41 U.S.C.*  
14           *433 note) is amended by striking “(A))” and insert-*  
15           *ing “(A))”.*

16           (3) *Section 1602(e)(3) (117 Stat. 1683; 10*  
17           *U.S.C. 2302 note) is amended by inserting “Security”*  
18           *after “Health”.*

19           (g) *NATIONAL DEFENSE AUTHORIZATION ACT FOR*  
20           *FISCAL YEAR 1994.—Section 845(a) of the National De-*  
21           *fense Authorization Act for Fiscal Year 1994 (10 U.S.C.*  
22           *2371 note) is amended—*

23           (1) *in paragraph (2)(A), by inserting “Re-*  
24           *search” after “Defense Advanced”; and*

1           (2) in paragraph (3), by inserting “Research”  
2           after “Defense Advanced”.

3           (h) NATIONAL DEFENSE AUTHORIZATION ACT FOR  
4 FISCAL YEAR 1993.—Section 722(a)(1) of the National De-  
5 fense Authorization Act for Fiscal Year 1993 (Public Law  
6 102–484; 10 U.S.C. 1073 note) is amended by striking “155  
7 Stat.” and inserting “115 Stat.”.

8 **SEC. 1048. REPEAL OF CERTIFICATION REQUIREMENT.**

9           Section 1063 of the National Defense Authorization  
10 Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat.  
11 3445) is repealed.

12 **SEC. 1049. PROHIBITION ON SALE BY DEPARTMENT OF DE-**  
13 **FENSE OF PARTS FOR F-14 FIGHTER AIR-**  
14 **CRAFT.**

15           (a) FINDINGS.—Congress makes the following findings:

16           (1) The Department of Defense is responsible for  
17 demilitarizing and auctioning off sensitive surplus  
18 United States military equipment.

19           (2) F-14 “Tomcat” fighter aircraft have recently  
20 been retired, and their parts are being made available  
21 by auction in large quantities.

22           (3) Iran is the only country, besides the United  
23 States, flying F-14 fighter aircraft and is purchasing  
24 surplus parts for such aircraft from brokers.

1           (4) *The Government Accountability Office has,*  
2 *as a result of undercover investigative work, declared*  
3 *the acquisition of the surplus United States military*  
4 *equipment, including parts for F-14 fighter aircraft,*  
5 *to be disturbingly effortless.*

6           (5) *Upon the seizure of such sensitive surplus*  
7 *military equipment being sold to Iran, United States*  
8 *customs agents have discovered these same items, hav-*  
9 *ing been resold by the Department of Defense, being*  
10 *brokered illegally to Iran again.*

11           (6) *Iran is pursuing a nuclear weapons capa-*  
12 *bility, and the Department of State has identified*  
13 *Iran as the most active state sponsor of terrorism.*

14           (7) *Iran continues to provide funding, safe*  
15 *haven, training, and weapons to known terrorist*  
16 *groups, including Hizballah, HAMAS, the Palestine*  
17 *Islamic Jihad, and the Popular Front for the Libera-*  
18 *tion of Palestine.*

19           (8) *The sale of spare parts for F-14 fighter air-*  
20 *craft could make it more difficult to confront the nu-*  
21 *clear weapons capability of Iran and would strength-*  
22 *en the ground war capability of Iran. To prevent*  
23 *these threats to regional and global security, the sale*  
24 *of spare parts for F-14 fighter aircraft should be pro-*  
25 *hibited.*

1       (b) *PROHIBITION ON SALE BY DEPARTMENT OF DE-*  
2 *FENSE.*—

3           (1) *IN GENERAL.*—*Notwithstanding any other*  
4 *provision of law and except as provided in paragraph*  
5 *(2), the Department of Defense may not sell (whether*  
6 *directly or indirectly) any parts for F-14 fighter air-*  
7 *craft, whether through the Defense Reutilization and*  
8 *Marketing Service or through another agency or ele-*  
9 *ment of the Department.*

10          (2) *EXCEPTION.*—*Paragraph (1) shall not apply*  
11 *with respect to the sale of parts for F-14 fighter air-*  
12 *craft to a museum or similar organization located in*  
13 *the United States that is involved in the preservation*  
14 *of F-14 fighter aircraft for historical purposes.*

15       (c) *PROHIBITION ON EXPORT LICENSE.*—*No license for*  
16 *the export of parts for F-14 fighter aircraft to a non-United*  
17 *States person or entity may be issued by the United States*  
18 *Government.*

19 **SEC. 1050. MAINTENANCE OF CAPABILITY FOR SPACE-**  
20 **BASED NUCLEAR DETECTION.**

21       *The Secretary of Defense shall maintain the capability*  
22 *for space-based nuclear detection at a level that meets or*  
23 *exceeds the level of capability as of the date of the enactment*  
24 *of this Act.*

1 **SEC. 1051. ADDITIONAL WEAPONS OF MASS DESTRUCTION**  
2 **CIVIL SUPPORT TEAMS.**

3 *Section 1403(a) of the Bob Stump National Defense*  
4 *Authorization Act for Fiscal Year 2003 (10 U.S.C. 12310*  
5 *note) is amended—*

6 *(1) in paragraph (1)—*

7 *(A) by striking “23” and inserting “25”;*

8 *and*

9 *(B) by striking “55” and inserting “57”;*

10 *and*

11 *(2) in paragraph (2), by striking “55” and in-*  
12 *serting “57”.*

13 **SEC. 1052. SENSE OF CONGRESS REGARDING NEED TO RE-**  
14 **PLACE ARMY M109 155MM SELF-PROPELLED**  
15 **HOWITZER.**

16 *(a) FINDINGS.—Congress finds the following:*

17 *(1) Military historians recognize the M109*  
18 *155mm self-propelled howitzer as a pioneer of the con-*  
19 *figuration of modern mechanized artillery.*

20 *(2) The M109 was first used by the Army in*  
21 *combat during the Vietnam War.*

22 *(3) The Marine Corps also made use of the M109*  
23 *during the Vietnam War, primarily in defensive ways*  
24 *similar to the Army.*

1           (4) *The Army adapted the M109 for use during*  
2 *the Gulf War, adding capability for more lethal*  
3 *DPICM rounds.*

4           (5) *The M109 has most recently demonstrated its*  
5 *usefulness in Operation Iraqi Freedom, dependably*  
6 *placing rounds downrange about two minutes after*  
7 *obtaining its mission.*

8           (b) *SENSE OF CONGRESS.—It is the sense of Congress*  
9 *that, while the M109 155mm self-propelled howitzer has*  
10 *been a dependable military weapon for 40 years and recog-*  
11 *nizing the budgeting challenges facing the Armed Forces,*  
12 *the Army—*

13           (1) *has not been timely in procuring a replace-*  
14 *ment for the M109; and*

15           (2) *should transition to the NLOS-C as the re-*  
16 *placement for the M109.*

17 **SEC. 1053. SENSE OF CONGRESS REGARDING DETAINEES AT**  
18 **NAVAL STATION, GUANTANAMO BAY, CUBA.**

19 *It is the sense of Congress that—*

20           (1) *the Nation extends its gratitude to the mili-*  
21 *tary personnel who guard and interrogate some of the*  
22 *world's most dangerous men every day at Naval Sta-*  
23 *tion, Guantanamo Bay, Cuba;*

24           (2) *the international community, in general, and*  
25 *in particular, the home countries of the detainees who*

1       *remain in detention despite having been ordered re-*  
2       *leased by a Department of Defense administrative re-*  
3       *view board, should work with the Department of De-*  
4       *fense to facilitate and expedite the repatriation of*  
5       *such detainees;*

6               (3) *detainees at Guantanamo Bay, to the max-*  
7       *imum extent possible, should be charged and expedi-*  
8       *tiously prosecuted for crimes committed against the*  
9       *United States; and*

10              (4) *operations at Guantanamo Bay should be*  
11       *carried out in a way that upholds the national inter-*  
12       *est and core values of the American people.*

13 **SEC. 1054. REPEAL OF PROVISIONS IN SECTION 1076 OF**  
14                   **PUBLIC LAW 109-364 RELATING TO USE OF**  
15                   **ARMED FORCES IN MAJOR PUBLIC EMER-**  
16                   **GENCIES.**

17       (a) *INTERFERENCE WITH STATE AND FEDERAL*  
18 *LAWS.—*

19              (1) *IN GENERAL.—Section 333 of title 10,*  
20       *United States Code, is amended to read as follows:*

21 **“§ 333. Interference with State and Federal law**

22       *“The President, by using the militia or the armed*  
23 *forces, or both, or by any other means, shall take such meas-*  
24 *ures as he considers necessary to suppress, in a State, any*

1 *insurrection, domestic violence, unlawful combination, or*  
 2 *conspiracy, if it—*

3           “(1) *so hinders the execution of the laws of that*  
 4 *State, and of the United States within the State, that*  
 5 *any part or class of its people is deprived of a right,*  
 6 *privilege, immunity, or protection named in the Con-*  
 7 *stitution and secured by law, and the constituted au-*  
 8 *thorities of that State are unable, fail, or refuse to*  
 9 *protect that right, privilege, or immunity, or to give*  
 10 *that protection; or*

11           “(2) *opposes or obstructs the execution of the*  
 12 *laws of the United States or impedes the course of jus-*  
 13 *tice under those laws.*

14 *In any situation covered by clause (1), the State shall be*  
 15 *considered to have denied the equal protection of the laws*  
 16 *secured by the Constitution.”.*

17           (2) *PROCLAMATION TO DISPERSE.—Section 334*  
 18 *of such title is amended by striking “or those obstruct-*  
 19 *ing the enforcement of the laws” after “insurgents”.*

20           (3) *HEADING AMENDMENT.—The heading of*  
 21 *chapter 15 of such title is amended to read as follows:*

22           **“CHAPTER 15—INSURRECTION”.**

23           (4) *CLERICAL AMENDMENTS.—*

24           (A) *The table of sections at the beginning of*  
 25 *chapter 15 of such title is amended by striking*

1           *the item relating to section 333 and inserting the*  
 2           *following new item:*

*“333. Interference with State and Federal law.”.*

3                   *(B) The tables of chapters at the beginning*  
 4                   *of subtitle A of title 10, United States Code, and*  
 5                   *at the beginning of part I of such subtitle, are*  
 6                   *each amended by striking the item relating to*  
 7                   *chapter 15 and inserting the following new item:*

*“15. Insurrection ..... 331”.*

8           *(b) REPEAL OF SECTION RELATING TO PROVISION OF*  
 9           *SUPPLIES, SERVICES, AND EQUIPMENT.—*

10                   *(1) IN GENERAL.—Section 2567 of title 10,*  
 11                   *United States Code, is repealed.*

12                   *(2) CLERICAL AMENDMENT.—The table of sec-*  
 13                   *tions at the beginning of chapter 152 of such title is*  
 14                   *amended by striking the item relating to section 2567.*

15                   *(c) CONFORMING AMENDMENT.—Section 12304(c) of*  
 16                   *such title is amended by striking “Except to perform” and*  
 17                   *all that follows through “this section” and inserting “No*  
 18                   *unit or member of a reserve component may be ordered to*  
 19                   *active duty under this section to perform any of the func-*  
 20                   *tions authorized by chapter 15 or section 12406 of this title*  
 21                   *or, except as provided in subsection (b),”.*

22                   *(d) EFFECTIVE DATE.—The amendments made by this*  
 23                   *section shall take effect on the date of the enactment of this*  
 24                   *Act.*

1 **TITLE XI—CIVILIAN PERSONNEL**  
 2 **MATTERS**

*Sec. 1101. Compensation for Federal wage system employees for certain travel hours.*

*Sec. 1102. Special benefits for civilian employees assigned on deployment temporary change of station.*

*Sec. 1103. Accumulation of annual leave by senior level employees.*

*Sec. 1104. Travel compensation for wage grade personnel.*

*Sec. 1105. Death gratuity authorized for Federal employees.*

*Sec. 1106. Modifications to the National Security Personnel System.*

*Sec. 1107. Annuity commencing dates.*

*Sec. 1108. Flexibility in setting pay for employees who move from a Department of Defense or Coast Guard nonappropriated fund instrumentality position to a position in the General Schedule pay system.*

*Sec. 1109. Transportation of dependents, household effects, and personal property to former home following death of Federal employee where death resulted from disease or injury incurred in a combat zone.*

*Sec. 1110. Use of leave transfer program by wounded veterans who are Federal employees.*

*Sec. 1111. Requirement for full implementation of personnel demonstration project.*

3 **SEC. 1101. COMPENSATION FOR FEDERAL WAGE SYSTEM**  
 4 **EMPLOYEES FOR CERTAIN TRAVEL HOURS.**

5 *Clause (iv) of section 5544(a) of title 5, United States*  
 6 *Code, is amended by striking “administratively.” and in-*  
 7 *serting “administratively (including travel by such em-*  
 8 *ployee to such event and the return of such employee from*  
 9 *such event to his or her official duty station).”.*

10 **SEC. 1102. SPECIAL BENEFITS FOR CIVILIAN EMPLOYEES**  
 11 **ASSIGNED ON DEPLOYMENT TEMPORARY**  
 12 **CHANGE OF STATION.**

13 *(a) AUTHORITY.—Subchapter II of chapter 57 of title*  
 14 *5, United States Code, is amended by inserting after section*  
 15 *5737 the following:*

1 **“§5737a. Employees temporarily deployed in contin-**  
2 **gency operations**

3 “(a) *DEFINITIONS.*—For purposes of this section—

4 “(1) the term ‘covered employee’ means an indi-  
5 vidual who—

6 “(A) is an employee of an Executive agency  
7 or a military department, excluding a Govern-  
8 ment controlled corporation; and

9 “(B) is assigned on a temporary change of  
10 station in support of a contingency operation;

11 “(2) the term ‘temporary change of station’, as  
12 used with respect to an employee, means an assign-  
13 ment—

14 “(A) from the employee’s official duty sta-  
15 tion to a temporary duty station; and

16 “(B) for which such employee is eligible for  
17 expenses under section 5737; and

18 “(3) the term ‘contingency operation’ has the  
19 meaning given such term by section 1482a(c) of title  
20 10.

21 “(b) *QUARTERS AND RATIONS.*—The head of an agen-  
22 cy may provide quarters and rations, without charge, to  
23 any covered employee of such agency during the period of  
24 such employee’s temporary assignment (as described in sub-  
25 section (a)(1)(B)).

1       “(c) *STORAGE OF MOTOR VEHICLE.*—*The head of an*  
2 *agency may provide for the storage, without charge, or for*  
3 *the reimbursement of the cost of storage, of a motor vehicle*  
4 *that is owned or leased by a covered employee of such agen-*  
5 *cy (or by a dependent of such an employee) and that is*  
6 *for the personal use of the covered employee. This subsection*  
7 *shall apply—*

8               “(1) *with respect to storage during the period of*  
9 *the employee’s temporary assignment (as described in*  
10 *subsection (a)(1)(B)) and, notwithstanding section*  
11 *5737(b), for such additional period of time as the*  
12 *agency head may determine; and*

13               “(2) *in the case of a covered employee, with re-*  
14 *spect to not more than one motor vehicle as of any*  
15 *given time.*

16       “(d) *RELATIONSHIP TO OTHER BENEFITS.*—*Any bene-*  
17 *fits under this section shall be in addition to (and not in*  
18 *lieu of) any other benefits for which the covered employee*  
19 *is otherwise eligible.”.*

20       “(b) *CLERICAL AMENDMENT.*—*The table of sections for*  
21 *chapter 57 of such title is amended by inserting after the*  
22 *item relating to section 5737 the following:*

“5737a. *Employees temporarily deployed in contingency operations.”.*

1 **SEC. 1103. ACCUMULATION OF ANNUAL LEAVE BY SENIOR**  
2 **LEVEL EMPLOYEES.**

3 *Section 6304(f)(1) of title 5, United States Code, is*  
4 *amended—*

5 *(1) in the matter before subparagraph (A), by*  
6 *striking “in a position in—” and inserting “in—”;*

7 *(2) in subparagraphs (A) through (E), by insert-*  
8 *ing “a position in” before “the”;*

9 *(3) in subparagraph (D), by striking “or” at the*  
10 *end;*

11 *(4) in subparagraph (E), by striking the period*  
12 *at the end and inserting a semicolon; and*

13 *(5) by adding after subparagraph (E) the fol-*  
14 *lowing:*

15 *“(F) a position to which section 5376 ap-*  
16 *plies; or*

17 *“(G) a position designated under section*  
18 *1607(a) of title 10 as an Intelligence Senior*  
19 *Level position.”.*

20 **SEC. 1104. TRAVEL COMPENSATION FOR WAGE GRADE PER-**  
21 **SONNEL.**

22 *(a) ELIGIBILITY FOR COMPENSATORY TIME OFF FOR*  
23 *TRAVEL.—Section 5550b(a) of title 5, United States Code,*  
24 *is amended by striking “section 5542(b)(2),” and inserting*  
25 *“any provision of section 5542(b)(2) or 5544(a),”.*

1       (b) *CONFORMING AMENDMENT.*—Section 5541(2)(xi)  
2 of such title is amended by striking “section 5544” and in-  
3 serting “section 5544 or 5550b”.

4       (c) *EFFECTIVE DATE.*—The amendments made by this  
5 section shall take effect on the earlier of—

6           (1) the effective date of any regulations pre-  
7 scribed to carry out such amendments; or

8           (2) the 90th day after the date of the enactment  
9 of this Act.

10 **SEC. 1105. DEATH GRATUITY AUTHORIZED FOR FEDERAL**  
11 **EMPLOYEES.**

12       (a) *DEATH GRATUITY AUTHORIZED.*—Chapter 81 of  
13 title 5, United States Code, is amended by inserting after  
14 section 8102 the following new section:

15 **“§8102a. Death gratuity for injuries incurred in con-**  
16 **nection with employee’s service with an**  
17 **Armed Force**

18       “(a) *DEATH GRATUITY AUTHORIZED.*—The United  
19 States shall pay a death gratuity of \$100,000 to or for the  
20 survivor prescribed by subsection (d) immediately upon re-  
21 ceiving official notification of the death of an employee who  
22 dies of injuries incurred in connection with the employee’s  
23 service with an Armed Force in a contingency operation,  
24 or who dies of injuries incurred in connection with a ter-

1 *rorist incident occurring during the employee's service with*  
2 *an Armed Force.*

3       “(b) *RETROACTIVE PAYMENT IN CERTAIN CASES.—*  
4 *Subsection (a) applies in the case of an employee who dies*  
5 *on or after October 7, 2001, as a result of injuries incurred*  
6 *in connection with the employee's service with an Armed*  
7 *Force in the theater of operations of Operation Enduring*  
8 *Freedom or Operation Iraqi Freedom.*

9       “(c) *OTHER BENEFITS.—The death gratuity payable*  
10 *under this section is in addition to any death benefits other-*  
11 *wise provided for in law.*

12       “(d) *ELIGIBLE SURVIVORS.—*

13               “(1) *Subject to paragraph (5), a death gratuity*  
14 *payable upon the death of a person covered by sub-*  
15 *section (a) shall be paid to or for the living survivor*  
16 *highest on the following list:*

17                       “(A) *The employee's surviving spouse.*

18                       “(B) *The employee's children, as prescribed*  
19 *by paragraph (2), in equal shares.*

20                       “(C) *If designated by the employee, any one*  
21 *or more of the following persons:*

22                               “(I) *The employee's parents or persons*  
23 *in loco parentis, as prescribed by paragraph*  
24 *(3).*

25                               “(ii) *The employee's brothers.*

1                   “(iii) *The employee’s sisters.*

2                   “(D) *The employee’s parents or persons in*  
3                   *loco parentis, as prescribed by paragraph (3), in*  
4                   *equal shares.*

5                   “(E) *The employee’s brothers and sisters in*  
6                   *equal shares.*

7                   *Subparagraphs (C) and (E) of this paragraph include*  
8                   *brothers and sisters of the half blood and those*  
9                   *through adoption.*

10                  “(2) *Paragraph (1)(B) applies, without regard*  
11                  *to age or marital status, to—*

12                         “(A) *legitimate children;*

13                         “(B) *adopted children;*

14                         “(C) *stepchildren who were a part of the de-*  
15                         *cedent’s household at the time of death;*

16                         “(D) *illegitimate children of a female dece-*  
17                         *dent; and*

18                         “(E) *illegitimate children of a male dece-*  
19                         *dent—*

20                                 “(I) *who have been acknowledged in*  
21                                 *writing signed by the decedent;*

22                                 “(ii) *who have been judicially deter-*  
23                                 *mined, before the decedent’s death, to be his*  
24                                 *children;*

1                   “(iii) who have been otherwise proved,  
2                   by evidence satisfactory to the employing  
3                   agency, to be children of the decedent; or

4                   “(iv) to whose support the decedent had  
5                   been judicially ordered to contribute.

6                   “(3) Subparagraphs (C) and (D) of paragraph  
7                   (1), so far as they apply to parents and persons in  
8                   loco parentis, include fathers and mothers through  
9                   adoption, and persons who stood in loco parentis to  
10                  the decedent for a period of not less than one year at  
11                  any time before the decedent became an employee.  
12                  However, only one father and one mother, or their  
13                  counterparts in loco parentis, may be recognized in  
14                  any case, and preference shall be given to those who  
15                  exercised a parental relationship on the date, or most  
16                  nearly before the date, on which the decedent became  
17                  an employee.

18                  “(4) Beginning on the date of the enactment of  
19                  this paragraph, a person covered by this section may  
20                  designate another person to receive not more than 50  
21                  percent of the amount payable under this section. The  
22                  designation shall indicate the percentage of the  
23                  amount, to be specified only in 10 percent increments  
24                  up to the maximum of 50 percent, that the designated  
25                  person may receive. The balance of the amount of the

1       *death gratuity shall be paid to or for the living sur-*  
2       *vivors of the person concerned in accordance with*  
3       *subparagraphs (A) through (E) of paragraph (1).*

4               “(5) *If a person entitled to all or a portion of*  
5       *a death gratuity under paragraph (1) or (4) dies be-*  
6       *fore the person receives the death gratuity, it shall be*  
7       *paid to the living survivor next in the order pre-*  
8       *scribed by paragraph (1).*”

9               “(e) *DEFINITIONS.—(1) The term ‘contingency oper-*  
10       *ation’ has the meaning given to that term in section*  
11       *1482a(c) of title 10, United States Code.*”

12               “(2) *The term ‘employee’ has the meaning provided in*  
13       *section 8101 of this title, but also includes a non-*  
14       *appropriated fund instrumentality employee, as defined in*  
15       *section 1587(a)(1) of title 10.”.*

16               “(b) *CLERICAL AMENDMENT.—The table of sections at*  
17       *the beginning of chapter 81 of such title is amended by in-*  
18       *serting after the item relating to section 8102 the following*  
19       *new item:*

*“8102a. Death gratuity for injuries incurred in connection with employee’s service  
with an Armed Force.”.*

20       **SEC. 1106. MODIFICATIONS TO THE NATIONAL SECURITY**  
21               **PERSONNEL SYSTEM.**

22               “(a) *IN GENERAL.—Section 9902 of title 5, United*  
23       *States Code, is amended—*

1           (1) in subsection (a), by striking “Notwith-  
2           standing any other provision of this part, the” and  
3           inserting “The”;

4           (2) in subsection (b)(4)—

5                 (A) by striking “collectively as provided for  
6                 in this chapter,” and inserting “collectively,”;  
7                 and

8                 (B) by striking “the provisions of this chap-  
9                 ter and”;

10          (3) in subsection (b)(6), by striking subpara-  
11          graph (I) and inserting the following:

12                 “(I) A pay-for-performance evaluation sys-  
13                 tem to reward individual or group performance.  
14                 Any such system—

15                         “(i) shall be based on an equitable  
16                         method for appraising and compensating  
17                         employees;

18                         “(ii) shall ensure that rates of pay (in-  
19                         cluding those described in subchapter IV of  
20                         chapter 53 and those payable to employees  
21                         paid from nonappropriated funds) are ad-  
22                         justed at the same time and by the same  
23                         percentages as would be required under sec-  
24                         tions 5303 through 5304a for rates subject  
25                         to those sections, except that no such adjust-

1           *ment may be made if or to the extent that*  
2           *the resulting rate would exceed the max-*  
3           *imum rate allowable under such system;*

4           *“(iii) may not be implemented before*  
5           *the requirements described in section*  
6           *4703(b) have been met by the Secretary and*  
7           *the Director jointly with respect to such sys-*  
8           *tem;*

9           *“(iv) may not provide for any waiver*  
10           *with respect to such system that would not*  
11           *be allowable under any paragraph of section*  
12           *4703(c); and*

13           *“(v) shall be subject to the provisions of*  
14           *subsections (f) and (g) of section 4703.”;*

15           *(4) in subsection (c)(1), by striking “October 1,*  
16           *2008” each place it appears and inserting “October*  
17           *1, 2011”;*

18           *(5) in subsection (d)—*

19           *(A) in the matter before paragraph (1), by*  
20           *striking “are (to the extent not otherwise speci-*  
21           *fied in this title)—” and inserting “are—”; and*

22           *(B) in paragraph (2), by inserting “43,”*  
23           *after “41,” and by inserting “75, 77,” after*  
24           *“73,”;*

1           (6) in subsection (e)(3), by striking the period at  
2           the end and inserting “, except as provided in sub-  
3           section (b)(6)(I)(ii).”;

4           (7) in subsection (f)(4), strike “The” and insert  
5           “Subject to subsection (d)(2), the”;

6           (8) in subsection (g)—

7                   (A) by striking paragraph (2) and inserting  
8           the following:

9           “(2) The decision to bargain at a level above the level  
10          of exclusive recognition shall be mutually agreed to by the  
11          Secretary and the labor organization at an organizational  
12          level above the level of exclusive recognition.”;

13                   (B) in paragraph (3), by striking “are ex-  
14          cluded from” and inserting “may be included  
15          in”; and

16                   (C) by striking paragraph (4); and

17           (9) by striking subsections (h), (k), and (m) and  
18          redesignating subsections (i), (j), and (l) as sub-  
19          sections (h), (i), and (j), respectively.

20          (b) SAVINGS PROVISION.—Any rate of pay which is  
21          in effect with respect to an employee immediately before this  
22          section takes effect, and which was determined under a per-  
23          formance management system established under section  
24          9902(b)(6) of title 5, United States Code, shall remain in  
25          effect until—

1           (1) *such rate is modified, superseded, or rendered*  
2           *inapplicable—*

3                   (A) *in accordance with such system, as last*  
4                   *in effect before this section takes effect; or*

5                   (B) *in accordance with a system established*  
6                   *under such section 9902(b)(6), as amended by*  
7                   *this section (hereinafter referred to as a “suc-*  
8                   *cessor system”); or*

9           (2) *such employee otherwise ceases to be covered*  
10           *by such system (as described in paragraph (1)(A)),*  
11           *whether by transferring to a position not covered by*  
12           *the system (as so described) or otherwise.*

13 *The performance management system (as described in para-*  
14 *graph (1)(A)) shall remain in effect, in accordance with its*  
15 *terms, until all employees who, immediately before this sec-*  
16 *tion takes effect, are subject to the system (as so described)*  
17 *have either become subject to a successor system or have oth-*  
18 *erwise ceased to be covered by the system (as so described).*  
19 *Such system (as so described) shall not apply in the case*  
20 *of any employee, or during any period of time, not de-*  
21 *scribed in the preceding sentence.*

22 **SEC. 1107. ANNUITY COMMENCING DATES.**

23           (a) *CIVIL SERVICE RETIREMENT SYSTEM.—Section*  
24 *8345(b)(1) of title 5, United States Code, is amended by*

1 *striking “the first day of the month after” both places it*  
2 *appears and inserting “the day after”.*

3 *(b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—*

4 *Section 8464(a) of such title is amended to read as follows:*

5 *“(a) Except as otherwise provided in this chapter—*

6 *“(1) an annuity payable from the Fund com-*  
7 *mences on the day after—*

8 *“(A) separation from the service, in the case*  
9 *of an employee or Member retiring under section*  
10 *8412 or 8414; or*

11 *“(B) pay ceases, and the applicable age and*  
12 *service requirements are met, in the case of an*  
13 *employee or Member retiring under section 8413;*  
14 *and*

15 *“(2) an annuity payable from the Fund com-*  
16 *mences on the day after separation from the service*  
17 *or the day after pay ceases and the requirements for*  
18 *title to an annuity are met in the case of an employee*  
19 *or Member retiring under section 8451.”.*

1 **SEC. 1108. FLEXIBILITY IN SETTING PAY FOR EMPLOYEES**  
2 **WHO MOVE FROM A DEPARTMENT OF DE-**  
3 **FENSE OR COAST GUARD NONAPPROPRIATED**  
4 **FUND INSTRUMENTALITY POSITION TO A PO-**  
5 **SITION IN THE GENERAL SCHEDULE PAY SYS-**  
6 **TEM.**

7 *The first sentence of section 5334(f) of title 5, United*  
8 *States Code, is amended by striking “any step of such grade*  
9 *that does not exceed the highest previous rate of basic pay*  
10 *received by that employee during the employee’s service de-*  
11 *scribed in section 2105(c).” and inserting “any step of such*  
12 *grade that does not exceed—*

13 *“(1) if the highest previous rate of basic pay re-*  
14 *ceived by that employee during the employee’s service*  
15 *described in section 2105(c) is equal to a rate of the*  
16 *appropriate grade, such rate of the appropriate grade;*

17 *“(2) if the employee’s highest previous rate of*  
18 *basic pay (as described in paragraph (1)) is between*  
19 *two rates of the appropriate grade, the higher of those*  
20 *two rates; or*

21 *“(3) if the employee’s highest previous rate of*  
22 *basic pay (as described in paragraph (1)) exceeds the*  
23 *maximum rate of the appropriate grade, the max-*  
24 *imum rate of the appropriate grade.”.*

1 **SEC. 1109. TRANSPORTATION OF DEPENDENTS, HOUSE-**  
2 **HOLD EFFECTS, AND PERSONAL PROPERTY**  
3 **TO FORMER HOME FOLLOWING DEATH OF**  
4 **FEDERAL EMPLOYEE WHERE DEATH RE-**  
5 **SULTED FROM DISEASE OR INJURY IN-**  
6 **CURRED IN A COMBAT ZONE.**

7 (a) *IN GENERAL.*—Section 5742 of title 5, United  
8 States Code, is amended by adding at the end the following:

9 “(f)(1) The benefits of subsection (b)(2) may not be de-  
10 nied, solely because the dependents were residing within the  
11 continental United States when the employee died, if such  
12 employee died as a result of disease or injury incurred while  
13 holding a position or performing one or more functions in  
14 support of military operations of the United States in a  
15 combat zone.

16 “(2) For purposes of paragraph (1)—

17 “(A) the term ‘continental United States’ has the  
18 meaning given such term by section 5721(3); and

19 “(B) the term ‘combat zone’ has the meaning  
20 given such term by section 1580 of title 10.”.

21 (b) *EFFECTIVE DATE.*—The amendment made by sub-  
22 section (a) shall apply with respect to deaths occurring on  
23 or after the date of the enactment of this Act.

1 **SEC. 1110. USE OF LEAVE TRANSFER PROGRAM BY WOUND-**  
2 **ED VETERANS WHO ARE FEDERAL EMPLOY-**  
3 **EES.**

4 (a) *IN GENERAL.*—Section 6333(b) of title 5, United  
5 States Code, is amended—

6 (1) by striking “A leave” and inserting “(1) Ex-  
7 cept as provided in paragraph (2), a leave”; and

8 (2) by adding at the end the following new para-  
9 graph:

10 “(2) *The requirement to exhaust annual leave and sick*  
11 *leave under paragraph (1) shall not apply in the case of*  
12 *a leave recipient who, while a member of the Armed Forces,*  
13 *including a member of the National Guard or a Reserve,*  
14 *sustained a combat-related disability (as defined in section*  
15 *1413a(e) of title 10) and is undergoing medical treatment*  
16 *(as defined by the Office of Personnel Management) for that*  
17 *combat-related disability. The preceding sentence shall*  
18 *apply to a member described in that sentence only so long*  
19 *as the member continues to undergo medical treatment for*  
20 *the disability, but in no case for more than five years.”.*

21 **SEC. 1111. REQUIREMENT FOR FULL IMPLEMENTATION OF**  
22 **PERSONNEL DEMONSTRATION PROJECT.**

23 (a) *REQUIREMENT.*—The Secretary of Defense shall  
24 take all necessary actions to fully implement and use the  
25 authorities provided to the Secretary under section 342(b)  
26 of the National Defense Authorization Act for Fiscal Year

1 1995 (Public Law 103–337; 108 Stat. 2721), as amended  
2 by section 1114 of the Floyd D. Spence National Defense  
3 Authorization Act for Fiscal Year 2001 (as enacted into law  
4 by Public Law 106–398; 114 Stat. 1654A–315), to carry  
5 out personnel management demonstration projects at De-  
6 partment of Defense laboratories that are exempted by sec-  
7 tion 9902(c) of title 5, United States Code, from inclusion  
8 in the Department of Defense National Security Personnel  
9 System.

10 (b) *EXPANDED AUTHORITY FOR DIRECTORS.*—The  
11 Secretary of Defense shall also implement a process and im-  
12 plementation plan to expand the authorities provided to the  
13 laboratories described in subsection (a) to provide the re-  
14 search laboratory directors enhanced ability to make pro-  
15 gram, funding, personnel, and other decisions that are nec-  
16 essary to carry out the mission of the laboratory.

17 (c) *OTHER LABORATORIES.*—Any flexibility available  
18 to any demonstration laboratory shall be available for use  
19 at any other laboratory as enumerated in section 9902(c)(2)  
20 of title 5, United States Code.

21 (d) *SUBMISSION OF LIST AND DESCRIPTION.*—Not  
22 later than March 1 of each year, beginning with March 1,  
23 2008, the Secretary of Defense shall submit to Congress a  
24 list and description of the demonstration project notices,  
25 amendments, and changes requested by the laboratories dur-

1 *ing the preceding calendar year. The list shall include all*  
 2 *approved and disapproved notices, amendments, and*  
 3 *changes, and the reasons for disapproval or delay in ap-*  
 4 *proval.*

5 **TITLE XII—MATTERS RELATING**  
 6 **TO FOREIGN NATIONS**

*Subtitle A—Assistance and Training*

- Sec. 1201. Military-to-military contacts and comparable activities.*  
*Sec. 1202. Authority for support of military operations to combat terrorism.*  
*Sec. 1203. Medical care and temporary duty travel expenses for liaison officers of certain foreign nations.*  
*Sec. 1204. Extension and expansion of Department of Defense authority to participate in multinational military centers of excellence.*  
*Sec. 1205. Reauthorization of Commanders' Emergency Response Program.*  
*Sec. 1206. Expansion of program to build the capacity of foreign military forces to include Pakistan's other security forces.*  
*Sec. 1207. Authority to provide assistance to foreign nations to assist in recovery and accounting activities for missing United States Government personnel.*  
*Sec. 1208. Authority to provide automatic identification system data on maritime shipping to foreign countries and international organizations.*  
*Sec. 1209. Report on foreign assistance-related programs, projects, and activities carried out by the Department of Defense.*

*Subtitle B—Matters Relating to Iraq*

- Sec. 1221. Modification of authorities relating to the Special Inspector General for Iraq Reconstruction.*  
*Sec. 1222. Continuation of prohibition on establishment of permanent military installations in Iraq or United States control over oil resources of Iraq.*  
*Sec. 1223. Report on Department of Defense efforts to build the capacity of the Government of Iraq to carry out reconstruction activities in Iraq.*  
*Sec. 1224. Report on implementation of Multi-National Forces—Iraq/United States Embassy Baghdad Joint Campaign Plan and efforts to achieve political reform in Iraq.*  
*Sec. 1225. Report on training of the Iraqi Security Forces.*  
*Sec. 1226. Sense of Congress on responsibilities of the Iraqi Council of Representatives to enact laws to achieve political reform and diminish support for the insurgency in Iraq.*

*Subtitle C—Matters Relating to Afghanistan*

- Sec. 1231. Special Inspector General for Afghanistan Reconstruction.*  
*Sec. 1232. Report on progress toward security and stability in Afghanistan.*

*Sec. 1233. Report on progress of the Department of Defense's counter-narcotics program for Afghanistan.*

*Sec. 1234. United States plan for sustaining the Afghanistan National Security Forces.*

*Subtitle D—Other Matters*

*Sec. 1241. Cooperative research and development agreements: NATO organizations; allied and friendly foreign countries.*

*Sec. 1242. Extension of Counterproliferation Program Review Committee.*

*Sec. 1243. Sense of Congress concerning the Western Hemisphere Institute for Security Cooperation.*

*Sec. 1244. Sense of Congress concerning the strategic military capabilities and intentions of the People's Republic of China.*

1                   ***Subtitle A—Assistance and***  
 2   ***Training***

3   ***SEC. 1201. MILITARY-TO-MILITARY CONTACTS AND COM-***  
 4   ***PARABLE ACTIVITIES.***

5           *Section 168(c) of title 10, United States Code, is*  
 6 *amended by adding at the end the following new paragraph:*

7                   “(9) *The assignment of personnel described in*  
 8                   *paragraph (3) or (4) on a non-reciprocal basis if the*  
 9                   *Secretary of Defense determines that such an assign-*  
 10                   *ment, rather than an exchange of personnel, is in the*  
 11                   *interests of the United States.”.*

12   ***SEC. 1202. AUTHORITY FOR SUPPORT OF MILITARY OPER-***  
 13   ***ATIONS TO COMBAT TERRORISM.***

14           *(a) MODIFICATION OF REPORTING REQUIREMENT.—*  
 15 *Subsection (f) of section 1208 of the Ronald W. Reagan Na-*  
 16 *tional Defense Authorization Act for Fiscal Year 2005 (Pub-*  
 17 *lic Law 108–375; 118 Stat. 2086–2087) is amended to read*  
 18 *as follows:*

19                   “(f) *ANNUAL REPORT.—*

1           “(1) *REPORT REQUIRED.*—Not later than 120  
2           *days after the close of each fiscal year during which*  
3           *subsection (a) is in effect, the Secretary of Defense*  
4           *shall submit to the congressional defense committees a*  
5           *report on support provided under that subsection dur-*  
6           *ing that fiscal year.*

7           “(2) *MATTERS TO BE INCLUDED.*—Each report  
8           *required by paragraph (1) shall describe the support*  
9           *provided, including—*

10                   “(A) *the country involved in the activity,*  
11                   *the individual or force receiving the support,*  
12                   *and, to the maximum extent practicable, the spe-*  
13                   *cific region of each country involved in the activ-*  
14                   *ity;*

15                   “(B) *the respective dates and a summary of*  
16                   *congressional notifications for each activity;*

17                   “(C) *the unified commander for each activ-*  
18                   *ity, as well as the related objectives, as estab-*  
19                   *lished by that commander;*

20                   “(D) *the total amount obligated to provide*  
21                   *the support;*

22                   “(E) *for each activity that amounts to more*  
23                   *than \$500,000, specific budget details that ex-*  
24                   *plain the overall funding level for that activity;*  
25                   *and*



1           **(b) MEDICAL CARE AND TEMPORARY DUTY TRAVEL**  
2 *EXPENSES.*—*Subsection (b) of such section is amended—*

3           (1) *in the heading, by striking “AND SUBSIST-*  
4 *ENCE” inserting “, SUBSISTENCE, AND MEDICAL*  
5 *CARE”;*

6           (2) *in paragraph (2), by adding at the end the*  
7 *following:*

8           “(C) *Expenses for medical care at a civilian*  
9 *medical facility if—*

10           “(i) *adequate medical care is not available*  
11 *to the liaison officer at a local military medical*  
12 *treatment facility;*

13           “(ii) *the Secretary determines that payment*  
14 *of such medical expenses is necessary and in the*  
15 *best interests of the United States; and*

16           “(iii) *medical care is not otherwise avail-*  
17 *able to the liaison officer pursuant to any treaty*  
18 *or other international agreement.”; and*

19           (3) *by adding at the end the following:*

20           “(3) *The Secretary may pay the mission-related*  
21 *travel expenses of a liaison officer described in sub-*  
22 *section (a) if such travel is in support of the national*  
23 *interests of the United States and the commander of*  
24 *the headquarters to which the liaison officer is tempo-*

1       rarily assigned directs round-trip travel from the as-  
2       signed headquarters to one or more locations.”.

3       (c) *DEFINITION.*—Subsection (d) of such section is  
4 amended—

5           (1) by striking “(d) *DEFINITIONS.*—” and all  
6       that follows through “(1) *The term*” and inserting  
7       “(d) *DEFINITION.*—*In this section, the term*”; and  
8           (2) by striking paragraph (2).

9       (d) *EXPIRATION OF AUTHORITY.*—Such section is fur-  
10 ther amended by striking subsection (e).

11       (e) *CONFORMING AND CLERICAL AMENDMENTS.*—(1)  
12 *The heading for such section is amended to read as follows:*

13 **“§1051a. Liaison officers of certain foreign nations;**  
14           ***administrative services and support; trav-***  
15           ***el, subsistence, medical care, and other***  
16           ***personal expenses*”.**

17       (2) *The table of sections at the beginning of chapter*  
18 *53 of title 10, United States Code, is amended by striking*  
19 *the item relating to section 1051a and inserting the fol-*  
20 *lowing:*

“1051a. *Liaison officers of certain foreign nations; administrative services and  
support; travel, subsistence, medical care, and other personal ex-  
penses.*”.

1 **SEC. 1204. EXTENSION AND EXPANSION OF DEPARTMENT**  
2 **OF DEFENSE AUTHORITY TO PARTICIPATE IN**  
3 **MULTINATIONAL MILITARY CENTERS OF EX-**  
4 **CELLENCE.**

5 (a) *EXTENSION OF AUTHORITY.*—Subsection (a) of sec-  
6 tion 1205 of the John Warner National Defense Authoriza-  
7 tion Act for Fiscal Year 2007 (Public Law 109–364; 1202  
8 Stat. 2416) is amended by striking “fiscal year 2007” and  
9 inserting “fiscal years 2007 and 2008”.

10 (b) *APPROVAL OF CENTERS.*—Subsection (c)(1) of such  
11 section is amended—

12 (1) by striking “the Military Committee of the  
13 North Atlantic Treaty Organization (NATO)” and  
14 inserting “the Department of Defense”; and

15 (2) by striking “for the benefit of NATO”.

16 (c) *LIMITATION ON AMOUNTS AVAILABLE FOR PAR-*  
17 *TICIPATION.*—Subsection (e) of such section is amended by  
18 striking paragraph (2) and inserting the following new  
19 paragraph:

20 “(2) *LIMITATION ON AMOUNT.*—The amount  
21 available under paragraph (1)(A) for the expenses re-  
22 ferred to in that paragraph may not exceed—

23 “(A) in fiscal year 2007, \$3,000,000; and

24 “(B) in fiscal year 2008, \$5,000,000.”.

25 (d) *REPORTS.*—Subsection (g) of such section is  
26 amended—

1           (1) *in paragraph (1)—*

2                   (A) *by inserting “and October 31, 2008,”*  
3           *after “October 31, 2007,”; and*

4                   (B) *by striking “fiscal year 2007” and in-*  
5           *serting “fiscal years 2007 and 2008”; and*

6           (2) *in paragraph (2)(A), by striking “during fis-*  
7           *cal year 2007” and inserting “during the preceding*  
8           *fiscal year”.*

9   **SEC. 1205. REAUTHORIZATION OF COMMANDERS’ EMER-**  
10                                   **GENCY RESPONSE PROGRAM.**

11           (a) *AUTHORITY.—Subsection (a) of section 1202 of the*  
12           *National Defense Authorization Act for Fiscal Year 2006*  
13           *(Public Law 109–163; 119 Stat. 3455–3456) is amended—*

14                   (1) *in the heading, by striking “FISCAL YEARS*  
15           *2006 AND 2007” and inserting “FISCAL YEARS 2008*  
16           *AND 2009”; and*

17                   (2) *by striking “fiscal years 2006 and 2007” and*  
18           *inserting “fiscal years 2008 and 2009”.*

19           (b) *QUARTERLY REPORTS.—Subsection (b) of such sec-*  
20           *tion is amended by striking “fiscal years 2006 and 2007”*  
21           *and inserting “fiscal years 2008 and 2009”.*

22           (c) *EFFECTIVE DATE.—The amendments made by this*  
23           *section take effect on October 1, 2007.*

1 **SEC. 1206. EXPANSION OF PROGRAM TO BUILD THE CAPAC-**  
2 **ITY OF FOREIGN MILITARY FORCES TO IN-**  
3 **CLUDE PAKISTAN'S OTHER SECURITY**  
4 **FORCES.**

5 (a) *AUTHORITY.*—Subsection (a) of section 1206 of the  
6 *National Defense Authorization Act for Fiscal Year 2006*  
7 *(Public Law 109–163; 119 Stat. 3456–3458)*, as amended  
8 *by section 1206 of the John Warner National Defense Au-*  
9 *thorization Act of Fiscal Year 2007 (Public Law 109–364;*  
10 *120 Stat. 2418)*, is amended—

11 (1) *by striking “The Secretary of Defense” and*  
12 *inserting the following:*

13 “(1) *IN GENERAL.*—*The Secretary of Defense*”;

14 (2) *by redesignating paragraphs (1) and (2) as*  
15 *subparagraphs (A) and (B), respectively; and*

16 (3) *by adding at the end the following:*

17 “(2) *ADDITIONAL AUTHORITY TO BUILD THE CA-*  
18 *PACITY OF PAKISTAN’S OTHER SECURITY FORCES.*—  
19 *The Secretary of Defense, with the concurrence of the*  
20 *Secretary of State, may use the authority in para-*  
21 *graph (1) to provide assistance to build the capacity*  
22 *of a Pakistan’s other security forces that are critical*  
23 *to the success of counterterrorist operations, such as*  
24 *forces responsible for border protection and interdic-*  
25 *tion (including forces that guard coastal waters) and*  
26 *internal security forces specifically responsible for*

1        *counterterrorism operations, in order for Pakistan to*  
2        *conduct the operations described in paragraph*  
3        *(1)(A).”.*

4        *(b) CONGRESSIONAL NOTIFICATION; SPECIFIED CON-*  
5        *GRESSIONAL COMMITTEES.—Subsection (e) of such section*  
6        *is amended—*

7                *(1) in paragraph (1)—*

8                        *(A) by striking “Whenever” and inserting*  
9                        *the following:*

10                                *“(A) IN GENERAL.—Whenever”; and*

11                                *(B) by adding at the end the following new*  
12                                *subparagraph:*

13                                *“(B) NOTIFICATION RELATING TO AUTHOR-*  
14                                *ITY TO BUILD THE CAPACITY OF PAKISTAN’S*  
15                                *OTHER SECURITY FORCES.—Not less than 30*  
16                                *days prior to the obligation or expenditure of*  
17                                *funds to carry out any activities under sub-*  
18                                *section (a)(2), the Secretary of Defense shall no-*  
19                                *tify the congressional committees specified in*  
20                                *paragraph (3) of such proposed obligation or ex-*  
21                                *penditure.”; and*

22                                *(2) in paragraph (3)(B), by striking “Committee*  
23                                *on International Relations” and inserting “Com-*  
24                                *mittee on Foreign Affairs”.*

1       (c) *REPORT.*—Paragraphs (1), (2), and (3) of sub-  
 2 section (f) of such section are each amended by inserting  
 3 “or Pakistan’s other security forces” after “foreign military  
 4 forces”.

5       (d) *CONFORMING AND CLERICAL AMENDMENTS.*—(1)  
 6 The heading for such section is amended by adding at the  
 7 end before the period the following: “**AND PAKISTAN’S**  
 8 **OTHER SECURITY FORCES**”.

9       (2) The table of contents in section 2(b) of the National  
 10 Defense Authorization Act for Fiscal Year 2006 and the  
 11 table of sections at the beginning of title XII of such Act  
 12 are each amended by striking the item relating to section  
 13 1206 and inserting the following:

“Sec. 1206. Authority to build the capacity of foreign military forces and Paki-  
 stan’s other security forces.”

14 **SEC. 1207. AUTHORITY TO PROVIDE ASSISTANCE TO FOR-**  
 15 **EIGN NATIONS TO ASSIST IN RECOVERY AND**  
 16 **ACCOUNTING ACTIVITIES FOR MISSING**  
 17 **UNITED STATES GOVERNMENT PERSONNEL.**

18       (a) *ASSISTANCE AUTHORIZED.*—The Secretary of De-  
 19 fense, with the concurrence of the Secretary of State, is au-  
 20 thorized to provide assistance to foreign nations to assist  
 21 the Department of Defense in recovery and accounting ac-  
 22 tivities for missing United States Government personnel.

23       (b) *TYPES OF ASSISTANCE.*—Assistance authorized  
 24 under subsection (a) may include the provision of equip-

1 *ment, supplies, services, training, and funding to foreign*  
2 *nations to assist in recovery and accounting activities de-*  
3 *scribed in such subsection. The authority to provide assist-*  
4 *ance under subsection (a) is in addition to any other au-*  
5 *thority to provide assistance to foreign nations for such*  
6 *purposes.*

7 (c) *LIMITATION.*—*Assistance authorized under sub-*  
8 *section (a) may not exceed \$1,000,000 in any fiscal year.*

9 **SEC. 1208. AUTHORITY TO PROVIDE AUTOMATIC IDENTI-**  
10 **FICATION SYSTEM DATA ON MARITIME SHIP-**  
11 **PING TO FOREIGN COUNTRIES AND INTER-**  
12 **NATIONAL ORGANIZATIONS.**

13 (a) *AUTHORITY TO PROVIDE DATA.*—*The Secretary of*  
14 *Defense, with the concurrence of the Secretary of State, may*  
15 *authorize the Secretary of a military department or a com-*  
16 *mander of a combatant command to exchange or furnish*  
17 *automatic identification system data broadcast by mer-*  
18 *chant or private ships and collected by the United States*  
19 *to a foreign country or international organization pursuant*  
20 *to an agreement for the exchange or production of such*  
21 *data. Such data may be transferred pursuant to this section*  
22 *without cost to the recipient country or international orga-*  
23 *nization.*

24 (b) *DEFINITIONS.*—*In this section:*

1           (1) *AUTOMATIC IDENTIFICATION SYSTEM.*—The  
2           term “automatic identification system” means a sys-  
3           tem that is used to satisfy the requirements of the  
4           Automatic Identification System under the Inter-  
5           national Convention for the Safety of Life at Sea,  
6           signed at London on November 1, 1974 (TIAS 9700).

7           (2) *GEOGRAPHIC COMBATANT COMMANDER.*—The  
8           term “commander of a combatant command” means  
9           a commander of a combatant command (as such term  
10          is defined in section 161(c) of title 10, United States  
11          Code) with a geographic area of responsibility.

12 **SEC. 1209. REPORT ON FOREIGN ASSISTANCE-RELATED**  
13                   **PROGRAMS, PROJECTS, AND ACTIVITIES CAR-**  
14                   **RIED OUT BY THE DEPARTMENT OF DEFENSE.**

15          (a) *REPORT REQUIRED.*—Not later than 180 days  
16          after the date of the enactment of this Act, the Secretary  
17          of Defense shall submit to the appropriate congressional  
18          committees a report that contains a description of all for-  
19          eign assistance-related programs, projects, and activities  
20          carried out by the Department of Defense during the prior  
21          fiscal year pursuant to any provision of law that authorizes  
22          or appropriates funds for such programs, projects, and ac-  
23          tivities.

24          (b) *MATTERS TO BE INCLUDED.*—The report required  
25          by subsection (a) shall include information on a country-

1 *by-country basis of each foreign assistance–related program,*  
2 *project, or activity of the Department of Defense and each*  
3 *foreign-assistance related program, project, or activity that*  
4 *the Department of Defense undertakes or implements on be-*  
5 *half of any other department or agency of the United States*  
6 *Government, such as a program, project, or activity under*  
7 *the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.)*  
8 *or the Arms Export Control Act (22 U.S.C. 2751 et seq.).*

9 (c) *DEFINITION.—In this section, the term “appro-*  
10 *priate congressional committees” means—*

11 (1) *the Committee on Appropriations, the Com-*  
12 *mittee on Armed Services, and the Committee on For-*  
13 *ign Affairs of the House of Representatives; and*

14 (2) *the Committee on Appropriations, the Com-*  
15 *mittee on Armed Services, and the Committee on For-*  
16 *ign Relations of the Senate.*

17 ***Subtitle B—Matters Relating to***  
18 ***Iraq***

19 ***SEC. 1221. MODIFICATION OF AUTHORITIES RELATING TO***  
20 ***THE SPECIAL INSPECTOR GENERAL FOR IRAQ***  
21 ***RECONSTRUCTION.***

22 (a) *PURPOSES.—Subsection (a)(1) of section 3001 of*  
23 *the Emergency Supplemental Appropriations Act for De-*  
24 *fense and for the Reconstruction of Iraq and Afghanistan,*  
25 *2004 (Public Law 108–106; 117 Stat. 1234–1238; 5 U.S.C.*

1 *App., note to section 8G of Public Law 95–452) is amended*  
2 *by striking “to the Iraq Relief and Reconstruction Fund”*  
3 *and inserting “for the reconstruction of Iraq”.*

4 (b) *ASSISTANT INSPECTORS GENERAL.*—Subsection  
5 *(d)(1) of such section is amended by striking “the Iraq Re-*  
6 *lief and Reconstruction Fund” and inserting “amounts ap-*  
7 *propriated or otherwise made available for the reconstruc-*  
8 *tion of Iraq”.*

9 (c) *SUPERVISION.*—Subsection *(e)(2) of such section is*  
10 *amended by striking “the Iraq Relief and Reconstruction*  
11 *Fund” and inserting “amounts appropriated or otherwise*  
12 *made available for the reconstruction of Iraq”.*

13 (d) *DUTIES.*—Subsection *(f)(1) of such section is*  
14 *amended by striking “to the Iraq Relief and Reconstruction*  
15 *Fund” and inserting “for the reconstruction of Iraq”.*

16 (e) *PERSONNEL, FACILITIES, AND OTHER RE-*  
17 *SOURCES.*—Subsection *(h)(3) of such section is amended by*  
18 *striking “my enter” and inserting “may enter”.*

19 (f) *REPORTS.*—Subsection *(i) of such section is amend-*  
20 *ed by striking “to the Iraq Relief and Reconstruction Fund”*  
21 *each place it appears and inserting “for the reconstruction*  
22 *of Iraq”.*

23 (g) *DEFINITIONS.*—Subsection *(m) of such section is*  
24 *amended—*

1           (1) *in the heading, by striking “APPROPRIATE*  
2 *COMMITTEES OF CONGRESS DEFINED” and inserting*  
3 *“DEFINITIONS”;*

4           (2) *by striking “In this section, the term” and*  
5 *inserting the following: “In this section—*

6           *“(1) the term”;*

7           (3) *by redesignating paragraphs (1) and (2) as*  
8 *subparagraphs (A) and (B), respectively;*

9           (4) *by striking the period at the end and insert-*  
10 *ing “; and”; and*

11           (5) *by adding at the end the following:*

12           *“(2) the term ‘amounts appropriated or other-*  
13 *wise made available for the reconstruction of Iraq’*  
14 *means amounts appropriated or otherwise made*  
15 *available for any fiscal year—*

16           *“(A) to the Iraq Relief and Reconstruction*  
17 *Fund, the Iraq Security Forces Fund, and the*  
18 *Commanders’ Emergency Response Program au-*  
19 *thorized under section 1202 of the National De-*  
20 *fense Authorization for Fiscal Year 2006 (Public*  
21 *Law 109–163; 119 Stat. 3455–3456); or*

22           *“(B) for assistance for the reconstruction of*  
23 *Iraq under—*

24           *“(i) the Economic Support Fund au-*  
25 *thorized under chapter 4 of part II of the*

1                   *Foreign Assistance Act of 1961 (22 U.S.C.*  
2                   *2346 et seq.)*;

3                   “*(ii) the International Narcotics Con-*  
4                   *trol and Law Enforcement account author-*  
5                   *ized under section 481 of the Foreign Assist-*  
6                   *ance Act of 1961 (22 U.S.C. 2291); or*

7                   “*(iii) any other provision of law.*”.

8           (h) *TERMINATION.*—*Subsection (o) of such section is*  
9 *amended—*

10                   (1) *in paragraph (1)—*

11                           (A) *by striking “(A)”*;

12                           (B) *by striking “to the Iraq Relief and Re-*  
13 *construction Fund” the first place it appears*  
14 *and inserting “for the reconstruction of Iraq”*;  
15 *and*

16                           (C) *by striking subparagraph (B); and*

17                   (2) *in paragraph (2)—*

18                           (A) *by striking “funds deemed to be”*; *and*

19                           (B) *by striking “to the Iraq Relief and Re-*  
20 *construction Fund” and inserting “for the recon-*  
21 *struction of Iraq”*.

1 **SEC. 1222. CONTINUATION OF PROHIBITION ON ESTABLISH-**  
2 **MENT OF PERMANENT MILITARY INSTALLA-**  
3 **TIONS IN IRAQ OR UNITED STATES CONTROL**  
4 **OVER OIL RESOURCES OF IRAQ.**

5 *Section 1519 of the John Warner National Defense Au-*  
6 *thorization Act for Fiscal Year 2007 (Public Law 109–364;*  
7 *120 Stat. 2444) is amended by inserting after “this Act”*  
8 *the following: “or any other Act for any fiscal year”.*

9 **SEC. 1223. REPORT ON DEPARTMENT OF DEFENSE EFFORTS**  
10 **TO BUILD THE CAPACITY OF THE GOVERN-**  
11 **MENT OF IRAQ TO CARRY OUT RECONSTRUC-**  
12 **TION ACTIVITIES IN IRAQ.**

13 *(a) REPORT REQUIRED.—Not later than 180 days*  
14 *after the date of the enactment of this Act, and every six*  
15 *months thereafter, the Secretary of Defense shall submit to*  
16 *Congress a report on efforts of the Department of Defense*  
17 *to build the capacity of the Government of Iraq to carry*  
18 *out reconstruction activities in Iraq.*

19 *(b) MATTERS TO BE INCLUDED.—The report required*  
20 *by subsection (a) shall include a description of the fol-*  
21 *lowing:*

22 *(1) Efforts to improve the ability of the Govern-*  
23 *ment of Iraq—*

24 *(A) to assess the needs for the reconstruction*  
25 *of Iraq;*

1           (B) to assess the sustainability of recon-  
2           struction projects carried out by the Government  
3           of Iraq, on all levels; and

4           (C) to effectively budget and carry out the  
5           design and implementation of reconstruction  
6           projects.

7           (2) Efforts to improve the ability of the Govern-  
8           ment of Iraq—

9           (A) to enter into competitively-awarded  
10          contracts for the reconstruction of Iraq; and

11          (B) to oversee that such contracts are prop-  
12          erly and effectively carried out in a cost-efficient  
13          manner.

14          (3) Such other matters as the Secretary of De-  
15          fense considers appropriate.

16 **SEC. 1224. REPORT ON IMPLEMENTATION OF MULTI-NA-**  
17 **TIONAL FORCES–IRAQ/UNITED STATES EM-**  
18 **BASSY BAGHDAD JOINT CAMPAIGN PLAN AND**  
19 **EFFORTS TO ACHIEVE POLITICAL REFORM IN**  
20 **IRAQ.**

21          (a) **REPORT REQUIRED.**—Not later than September  
22          30, 2007, the Secretary of Defense, in coordination with the  
23          Secretary of State, shall submit to the appropriate congres-  
24          sional committees a report detailing the status of implemen-  
25          tation of the Multi-National Forces–Iraq/United States

1 *Embassy Baghdad Joint Campaign Plan (hereinafter in*  
2 *this section referred to as the “Joint Campaign Plan”)* since  
3 *January 1, 2007, and efforts by the Government of Iraq*  
4 *to achieve political reform in Iraq.*

5 (b) *ASSESSMENT REQUIRED.—The Commander,*  
6 *Multi-National Forces–Iraq and the United States Ambas-*  
7 *sador to Iraq shall jointly submit to the Secretary of De-*  
8 *fense and the Secretary of State an assessment of the situa-*  
9 *tion in Iraq. The assessment shall be submitted in time to*  
10 *be included in the report required by subsection (a), and*  
11 *shall be included in the report, together with any comments*  
12 *thereon by the Secretary of Defense or the Secretary of*  
13 *State.*

14 (c) *ELEMENTS.—The assessment required by sub-*  
15 *section (b) shall include the following elements:*

16 (1) *A detailed description of the Joint Campaign*  
17 *Plan, or any subsequent revisions, updates, or docu-*  
18 *ments that replace or supersede the Joint Campaign*  
19 *Plan, including goals, phases, or other milestones con-*  
20 *tained in the Joint Campaign Plan. Specifically, the*  
21 *description shall include the following:*

22 (A) *An explanation of conditions required*  
23 *to move through phases of the Joint Campaign*  
24 *Plan and the measurements used to determine*  
25 *progress.*

1           (B) *An assessment of what conditions in the*  
2 *Joint Campaign Plan have been achieved and*  
3 *what conditions have not been achieved. The as-*  
4 *essment of those conditions that have not been*  
5 *achieved shall include a discussion of the factors*  
6 *that have precluded such progress.*

7           (C) *A description of any companion or*  
8 *equivalent plan of the Government of Iraq used*  
9 *to measure progress for Iraqi Security Forces*  
10 *undertaking joint operations with Coalition*  
11 *forces.*

12           (2) *Efforts by the Government of Iraq in taking*  
13 *the following actions:*

14           (A) *Enacting a broadly-accepted hydro-*  
15 *carbon law that equitably shares revenue among*  
16 *all Iraqis.*

17           (B) *Adopting laws necessary for the conduct*  
18 *of provincial and local elections, taking steps to*  
19 *implement such laws, and setting a schedule to*  
20 *conduct provincial and local elections.*

21           (C) *Reforming current laws governing the*  
22 *de-Baathification process in a manner that en-*  
23 *courages national reconciliation.*

24           (D) *Amending the Constitution of Iraq in a*  
25 *manner that encourages national reconciliation.*

1           (E) Allocating and beginning expenditure of  
2           \$10 billion in Iraqi revenues for reconstruction  
3           projects, including delivery of essential services,  
4           and implementing such reconstruction projects  
5           on an equitable basis.

6           (F) Making significant efforts to plan and  
7           implement disarmament, demobilization, and re-  
8           integration programs relating to Iraqi militias.

9           (3) An assessment of security in each region of  
10          Iraq and an overall assessment of security for the  
11          country, to include the following:

12           (A) Trends in casualties among Coalition  
13           forces, Iraqi Security Forces, and civilians.

14           (B) Trends in weekly attacks on Coalition  
15           forces, Iraqi Security Forces, and civilians.

16           (C) Trends in sectarian violence, including  
17           both the number of incidents and the casualties  
18           that have resulted.

19           (D) Trends in high-profile attacks, includ-  
20           ing attacks utilizing suicide bombings and vehi-  
21           cle-borne improvised explosive devices.

22           (4) An assessment of the effectiveness of Iraqi Se-  
23          curity Forces, to include the following:

24           (A) The number of battalions in the Iraqi  
25          Army currently conducting operations against

1            *insurgents, the level of personnel strength of such*  
2            *battalions, and efforts by the Iraqi or Coalition*  
3            *authorities to increase the number of such battal-*  
4            *ions.*

5            *(B) The number of Iraqi Security Force*  
6            *units, at the battalion level and above, that are*  
7            *operating independently of Coalition forces or*  
8            *with only support of Coalition forces.*

9            *(C) The anticipated period of time remain-*  
10           *ing until the Iraqi Security Forces are fully*  
11           *trained and capable of providing security in*  
12           *Iraq without support of Coalition forces.*

13           *(d) FURTHER ASSESSMENT REQUIRED.—Based on the*  
14           *information provided in subsection (c), the Secretary of De-*  
15           *fense shall include in the report required by subsection*  
16           *(a)—*

17           *(1) an assessment of the levels of United States*  
18           *Armed Forces required in Iraq for the six-month pe-*  
19           *riod beginning on October 1, 2007, the missions to be*  
20           *undertaken by the Armed Forces, and the incremental*  
21           *costs of any proposed changes to such levels or mis-*  
22           *sions; and*

23           *(2) a description of the range of contingency*  
24           *plans under consideration for changes to levels of*

1 *United States Armed Forces or missions during such*  
2 *period.*

3 *(e) UPDATE OF REPORT.—*

4 *(1) UPDATE REQUIRED.—Not later than 180*  
5 *days after the submission of the report required by*  
6 *subsection (a), and every 180 days thereafter until*  
7 *United States combat forces have been redeployed*  
8 *from Iraq, the Secretary of Defense shall submit to the*  
9 *appropriate congressional committees an update of*  
10 *the report required by subsection (a).*

11 *(2) MATTERS TO BE INCLUDED.—Each update of*  
12 *the report required by subsection (a) shall include an*  
13 *update of the assessment and any comments thereon*  
14 *required by subsection (b), an update of the elements*  
15 *described in subsection (c), and an update of the fur-*  
16 *ther assessment required by paragraph (1) of sub-*  
17 *section (d) for the six-month period beginning on the*  
18 *date of the submission of the update and an update*  
19 *of the contingency plans required by paragraph (2) of*  
20 *subsection (d) for such six-month period.*

21 *(f) FORM.—The report required by subsection (a) and*  
22 *each update of the report required by subsection (e), includ-*  
23 *ing assessments contained therein, shall be submitted in un-*  
24 *classified form, to the maximum extent practicable, but may*  
25 *contain a classified annex.*

1           (g) *APPROPRIATE CONGRESSIONAL COMMITTEES DE-*  
2 *FINED.*—*In this section, the term “appropriate congres-*  
3 *sional committees” means—*

4                   (1) *the Committee on Armed Services, the Com-*  
5 *mittee on Appropriations, and the Committee on For-*  
6 *oreign Affairs of the House of Representatives; and*

7                   (2) *the Committee on Armed Services, the Com-*  
8 *mittee on Appropriations, and the Committee on For-*  
9 *oreign Relations of the Senate.*

10 **SEC. 1225. REPORT ON TRAINING OF THE IRAQI SECURITY**  
11 **FORCES.**

12           (a) *REPORT REQUIRED.*—*Not later than 90 days after*  
13 *the date of the enactment of this Act, and every three months*  
14 *thereafter, the Secretary of Defense shall submit to the ap-*  
15 *propriate congressional committees an assessment of the*  
16 *Iraqi Security Forces.*

17           (b) *MATTERS TO BE INCLUDED.*—*The report required*  
18 *by subsection (a) shall address the following matters:*

19                   (1) *The level of training, readiness, operational*  
20 *proficiency, and any other measures used to assess the*  
21 *effectiveness of each battalion or larger formation or*  
22 *equivalent of the Iraqi Army, Iraqi National Police,*  
23 *Iraqi Police Service, and all other security and intel-*  
24 *ligence forces under the control of the Ministry of De-*  
25 *fense or the Ministry of the Interior of Iraq.*

1           (2) *The number of battalions in the Iraqi Army*  
2           *currently conducting operations, the type of oper-*  
3           *ations conducted, and efforts by Iraqi or Coalition*  
4           *authorities to increase the number of such operations.*

5           (3) *The number of Iraqi Army battalions and*  
6           *Iraqi National Police units that can operate without*  
7           *support from Coalition forces.*

8           (4) *The amount and type of support from Coali-*  
9           *tion forces required by the Iraqi Security Forces at*  
10          *each Transition Readiness Assessment (TRA) level.*

11          (5) *The level of readiness and effectiveness of*  
12          *units of the Iraqi Security Forces in provinces where*  
13          *the United States has formally transferred responsi-*  
14          *bility for the security of the province to the Iraqi Se-*  
15          *curity Forces under the Provincial Iraqi Control*  
16          *(PIC) process.*

17          (6) *The contribution each battalion or larger for-*  
18          *mation or equivalent of the Iraqi Army, Iraqi Na-*  
19          *tional Police, Iraqi Police Service, and all other secu-*  
20          *rity and intelligence forces under the control of the*  
21          *Ministry of Defense or the Ministry of the Interior of*  
22          *Iraq are making to overall stability in their area of*  
23          *operation.*

1           (7) *Other measurements used by Iraqi and Coa-*  
2           *lition authorities to assess the capability of the Iraqi*  
3           *Security Forces.*

4           (c) *FORM.*—*The report required by subsection (a) shall*  
5           *be submitted in unclassified form, to the maximum extent*  
6           *practicable, but may include a classified annex, as appro-*  
7           *priate.*

8           (d) *DEFINITION.*—*In this section, the term “appro-*  
9           *priate congressional committees” means—*

10           (1) *the Committee on Armed Services and the*  
11           *Committee on Foreign Affairs of the House of Rep-*  
12           *resentatives; and*

13           (2) *the Committee on Armed Services and the*  
14           *Committee on Foreign Relations of the Senate.*

15   **SEC. 1226. SENSE OF CONGRESS ON RESPONSIBILITIES OF**  
16                   **THE IRAQI COUNCIL OF REPRESENTATIVES**  
17                   **TO ENACT LAWS TO ACHIEVE POLITICAL RE-**  
18                   **FORM AND DIMINISH SUPPORT FOR THE IN-**  
19                   **SURGENCY IN IRAQ.**

20           *It is the sense of Congress that the Iraqi Council of*  
21           *Representatives should not recess for an extended period of*  
22           *time without first making substantial progress toward—*

23           (1) *enacting a broadly-accepted hydrocarbon law*  
24           *that equitably shares revenue among all Iraqis;*

1           (2) *adopting laws necessary for the conduct of*  
2           *provincial and local elections, taking steps to imple-*  
3           *ment such laws, and setting a schedule to conduct*  
4           *provincial and local elections;*

5           (3) *reforming current laws governing the de-*  
6           *Baathification process in a manner that encourages*  
7           *national reconciliation;*

8           (4) *amending the Constitution of Iraq in a man-*  
9           *ner that encourages national reconciliation; and*

10          (5) *enacting other legislation that helps to begin*  
11          *the process of political reconciliation and reduce the*  
12          *support for the insurgency in Iraq.*

13           ***Subtitle C—Matters Relating to***  
14           ***Afghanistan***

15   ***SEC. 1231. SPECIAL INSPECTOR GENERAL FOR AFGHANI-***  
16           ***STAN RECONSTRUCTION.***

17          (a) *PURPOSES.—The purposes of this section are as*  
18          *follows:*

19           (1) *To provide for the independent and objective*  
20           *conduct and supervision of audits and investigations*  
21           *relating to the programs and operations funded with*  
22           *amounts appropriated or otherwise made available to*  
23           *the Department of Defense for the reconstruction of*  
24           *Afghanistan.*

1           (2) *To provide for the independent and objective*  
2           *leadership and coordination of, and recommendations*  
3           *on, policies designed to—*

4                   (A) *promote economy efficiency, and effec-*  
5                   *tiveness in the administration of the programs*  
6                   *and operations described in paragraph (1); and*

7                   (B) *prevent and detect waste, fraud, and*  
8                   *abuse in such programs and operations.*

9           (3) *To provide for an independent and objective*  
10           *means of keeping the Secretary of Defense fully and*  
11           *currently informed about problems and deficiencies*  
12           *relating to the administration of such programs and*  
13           *operations and the necessity for and progress for cor-*  
14           *rective action.*

15           (b) *OFFICE OF INSPECTOR GENERAL.—There is hereby*  
16           *established the Office of the Special Inspector General for*  
17           *Afghanistan Reconstruction to carry out the purposes of*  
18           *subsection (a).*

19           (c) *APPOINTMENT OF INSPECTOR GENERAL; RE-*  
20           *MOVAL.—(1) The head of the Office of the Special Inspector*  
21           *General for Afghanistan Reconstruction is the Special In-*  
22           *pector General for Afghanistan Reconstruction (in this sec-*  
23           *tion referred to as the “Inspector General”), who shall be*  
24           *appointed by the President.*

1           (2) *The appointment of Inspector General shall be*  
2 *made solely on the basis of integrity and demonstrated abil-*  
3 *ity in accounting, auditing, financial analysis, law, man-*  
4 *agement analysis, public administration, or investigations.*

5           (3) *The nomination of an individual as Inspector Gen-*  
6 *eral shall be made not later than 30 days after the date*  
7 *of the enactment of this Act.*

8           (4) *The annual rate of basic pay of the Inspector Gen-*  
9 *eral shall be the annual rate of basic pay provided for posi-*  
10 *tions at level IV of the Executive Schedule under section*  
11 *5315 of title 5, United States Code.*

12           (5) *The requirements described in paragraphs (4) and*  
13 *(5) of section 3001(c) of the Emergency Supplemental Ap-*  
14 *propriations Act for Defense and for the Reconstruction of*  
15 *Iraq and Afghanistan, 2004 (Public Law 108–106; 117*  
16 *Stat. 1234–1238; 5 U.S.C. App., note to section 8G of Pub-*  
17 *lic Law 95–452) shall apply to the Inspector General in*  
18 *the same manner and to the same extent as such require-*  
19 *ments apply to the Special Inspector General for Iraq Re-*  
20 *construction.*

21           (d) *ASSISTANT INSPECTORS GENERAL.—The Inspector*  
22 *General shall, in accordance with applicable laws and regu-*  
23 *lations governing the civil service—*

24                   (1) *appoint an Assistant Inspector General for*  
25 *Auditing who shall have the responsibility for super-*

1 *vising the performance of auditing activities relating*  
2 *to programs and operations supported by amounts*  
3 *appropriated or otherwise made available to the De-*  
4 *partment of Defense for the reconstruction of Afghani-*  
5 *stan; and*

6 *(2) appoint an Assistant Inspector General for*  
7 *Investigations who shall have the responsibility for*  
8 *supervising the performance of investigative activities*  
9 *relating to such programs and operations.*

10 *(e) SUPERVISION.—(1) Except as provided in para-*  
11 *graph (2), the Inspector General shall report directly to,*  
12 *and be under the general supervision of, the Secretary of*  
13 *Defense.*

14 *(2) No officer of the Department of Defense shall pre-*  
15 *vent or prohibit the Inspector General from initiating, car-*  
16 *rying out, or completing any audit or investigation related*  
17 *to amounts appropriated or otherwise made available to the*  
18 *Department of Defense for the reconstruction of Afghanistan*  
19 *or from issuing any subpoena during the course of any such*  
20 *audit or investigation.*

21 *(f) DUTIES.—(1) It shall be the duty of the Inspector*  
22 *General to conduct, supervise, and coordinate audits and*  
23 *investigations of the treatment, handling, and expenditure*  
24 *of amounts appropriated or otherwise made available to the*  
25 *Department of Defense for the reconstruction of Afghani-*

1 *stan, and of the programs, operations, and contracts carried*  
2 *out utilizing such funds, including—*

3 *(A) the oversight and accounting of the obli-*  
4 *gation and expenditure of such funds;*

5 *(B) the monitoring and review of recon-*  
6 *struction activities funded by such funds;*

7 *(C) the monitoring and review of contracts*  
8 *funded by such funds;*

9 *(D) the monitoring and review of the trans-*  
10 *fer of such funds and associated information be-*  
11 *tween and among departments, agencies, and en-*  
12 *tities of the United States and private and non-*  
13 *governmental entities; and*

14 *(E) the maintenance of records on the use*  
15 *of such funds to facilitate future audits and in-*  
16 *vestigations of the use of such funds.*

17 *(2) The Inspector General shall establish, maintain,*  
18 *and oversee such systems, procedures, and controls as the*  
19 *Inspector General considers appropriate to discharge the*  
20 *duty under paragraph (1).*

21 *(3) In addition to the duties specified in paragraphs*  
22 *(1) and (2), the Inspector General shall also have the duties*  
23 *and responsibilities of inspectors general under the Inspec-*  
24 *tor General Act of 1978.*

1           (4) *In carrying out the duties, responsibilities, and au-*  
2 *thorities of the Inspector General under this section, the In-*  
3 *pector General shall coordinate with, and receive the co-*  
4 *operation of, the Inspector General of the Department of*  
5 *Defense.*

6           (g) *POWERS AND AUTHORITIES.—(1) In carrying out*  
7 *the duties specified in subsection (f), the Inspector General*  
8 *shall have the authorities provided in section 6 of the In-*  
9 *pector General Act of 1978, including the authorities under*  
10 *subsection (e) of such section.*

11          (2) *The Inspector General shall carry out the duty*  
12 *specified in subsection (f)(1) in accordance with section*  
13 *4(b)(1) of the Inspector General Act of 1978.*

14          (h) *PERSONNEL, FACILITIES, AND OTHER RE-*  
15 *SOURCES.—(1) The powers and authorities described in*  
16 *paragraphs (1) through (3) of section 3001(h) of the Emer-*  
17 *gency Supplemental Appropriations Act for Defense and for*  
18 *the Reconstruction of Iraq and Afghanistan, 2004 shall*  
19 *apply to the Inspector General in the same manner and*  
20 *to the same extent as such requirements apply to the Special*  
21 *Inspector General for Iraq Reconstruction.*

22          (2) *Whenever information or assistance requested by*  
23 *the Inspector General is, in the judgment of the Inspector*  
24 *General, unreasonably refused or not provided from any de-*  
25 *partment, agency, or other entity of the Federal Govern-*

1 *ment, the Inspector General shall report the circumstances*  
2 *to the Secretary of Defense and to the congressional defense*  
3 *committees.*

4 *(3) The Secretary of Defense shall provide the Inspec-*  
5 *tor General with appropriate and adequate office space at*  
6 *appropriate locations of the Department of Defense in Af-*  
7 *ghanistan, together with such equipment, office supplies,*  
8 *and communications facilities and services as may be nec-*  
9 *essary for the operation of such offices, and shall provide*  
10 *necessary maintenance services for such offices and the*  
11 *equipment and facilities located therein.*

12 *(i) REPORTS.—(1) Not later than 30 days after the*  
13 *end of each fiscal-year quarter, the Inspector General shall*  
14 *submit to the congressional defense committees a report*  
15 *summarizing, for the period of that quarter and, to the ex-*  
16 *tent possible, the period from the end of such quarter to*  
17 *the time of the submission of the report, the activities dur-*  
18 *ing such period of the Inspector General and the activities*  
19 *under programs and operations funded with amounts ap-*  
20 *propriated or otherwise made available to the Department*  
21 *of Defense for the reconstruction of Afghanistan. Each re-*  
22 *port shall include, for the period covered by such report,*  
23 *a detailed statement of all obligations, expenditures, and*  
24 *revenues of the Department of Defense associated with re-*

1 *construction and rehabilitation activities in Afghanistan,*  
2 *including the following:*

3           (A) *Obligations and expenditures of appro-*  
4 *propriated funds by the Department of Defense.*

5           (B) *A project-by-project and program-by-*  
6 *program accounting of the costs incurred to date*  
7 *by the Department of Defense for the reconstruc-*  
8 *tion of Afghanistan, together with the estimate of*  
9 *the Department of Defense of the costs to com-*  
10 *plete each project and each program.*

11           (C) *Revenues attributable to or consisting of*  
12 *funds provided by foreign nations or inter-*  
13 *national organizations to programs and projects*  
14 *funded by the Department of Defense, and any*  
15 *obligations or expenditures of such revenues.*

16           (D) *Revenues attributable to or consisting of*  
17 *foreign assets seized or frozen that contribute to*  
18 *programs and projects funded by the Department*  
19 *of Defense, and any obligations or expenditures*  
20 *of such revenues.*

21           (E) *Operating expenses of agencies or enti-*  
22 *ties receiving amounts appropriated or otherwise*  
23 *made available to the Department of Defense for*  
24 *the reconstruction of Afghanistan.*

1           (F) *In the case of any contract described in*  
2           *paragraph (2)—*

3                   (i) *the amount of the contract or other*  
4                   *agreement;*

5                   (ii) *a brief discussion of the scope of*  
6                   *the contract or other agreement;*

7                   (iii) *a discussion of how the Depart-*  
8                   *ment of Defense identified, and solicited of-*  
9                   *fers from, potential contractors to perform*  
10                   *the contract, together with a list of the po-*  
11                   *tential contractors that were issued solicita-*  
12                   *tions for the offers; and*

13                   (iv) *the justification and approval doc-*  
14                   *uments on which was based the determina-*  
15                   *tion to use procedures other than procedures*  
16                   *that provide for full and open competition.*

17           (2) *A contract described in this paragraph is any*  
18           *major contract or other agreement that is entered into by*  
19           *the Department of Defense that involves the use of amounts*  
20           *appropriated or otherwise made available to the Depart-*  
21           *ment of Defense for the reconstruction of Afghanistan with*  
22           *any public or private sector entity for any of the following*  
23           *purposes:*

24                   (A) *To build or rebuild physical infrastructure*  
25                   *of Afghanistan.*

1           (B) *To establish or reestablish a political or soci-*  
2           *etal institution of Afghanistan.*

3           (C) *To provide products or services to the people*  
4           *of Afghanistan.*

5           (3) *The Inspector General shall submit to the congres-*  
6           *sional defense committees semiannual reports meeting the*  
7           *requirements of section 5 of the Inspector General Act of*  
8           *1978. The first such report for a year, covering the first*  
9           *six months of the year, shall be submitted not later than*  
10          *July 31 of that year, and the second such report, covering*  
11          *the second six months of the year, shall be submitted not*  
12          *later than January 31 of the following year.*

13          (4) *The Inspector General shall publish each report*  
14          *under this subsection in both English and other languages,*  
15          *which the Inspector General determines are widely used and*  
16          *understood in Afghanistan, on the Internet website of the*  
17          *Department of Defense.*

18          (5) *Each report under this subsection may include a*  
19          *classified annex if the Inspector General considers it nec-*  
20          *essary.*

21          (6) *Nothing in this subsection shall be construed to au-*  
22          *thorize the public disclosure of information that is—*

23                  (A) *specifically prohibited from disclosure by*  
24                  *any other provision of law;*

1           (B) specifically required by Executive order to be  
2           protected from disclosure in the interest of national  
3           defense or national security or in the conduct of for-  
4           eign affairs; or

5           (C) a part of an ongoing criminal investigation.

6           (j) *REPORT COORDINATION.*—(1) *The Inspector Gen-  
7           eral shall also submit each report under subsection (i) to  
8           the Secretary of Defense.*

9           (2)(A) *Not later than 30 days after receipt of a report  
10           under paragraph (1), the Secretary of Defense may submit  
11           to the congressional defense committees any comments on  
12           the matters covered by the report as the Secretary of Defense  
13           considers appropriate.*

14           (B) *A report under this paragraph may include a clas-  
15           sified annex if the Secretary of Defense considers it nec-  
16           essary.*

17           (k) *TRANSPARENCY.*—(1) *Not later than 60 days after  
18           the date of the submittal to Congress of a report under sub-  
19           section (i), the Secretary of Defense shall make copies of  
20           such report available to the public upon request, and at a  
21           reasonable cost.*

22           (2) *Not later than 60 days after the date of the sub-  
23           mittal to Congress under subsection (j)(2) of comments on  
24           a report under subsection (i), the Secretary of Defense shall*

1 *make copies of such comments available to the public upon*  
2 *request, and at a reasonable cost.*

3       (l) *WAIVER.—(1) The President may waive the re-*  
4 *quirement under paragraph (1) or (2) of subsection (k) with*  
5 *respect to availability to the public of any element in a*  
6 *report under subsection (i), or any comment under sub-*  
7 *section (j)(2), if the President determines that the waiver*  
8 *is justified for national security reasons.*

9       (2) *The President shall publish a notice of each waiver*  
10 *made under this subsection in the Federal Register no later*  
11 *than the date on which a report required under paragraph*  
12 *(1) or (3) of subsection (i), or any comment under sub-*  
13 *section (j)(2), is submitted to Congress. The reports required*  
14 *under paragraph (1) or (3) of subsection (i), and the com-*  
15 *ments required under subsection (j)(2), shall specify whether*  
16 *waivers under this subsection were made and with respect*  
17 *to which elements in the reports or which comments, as ap-*  
18 *propriate.*

19       (m) *DEFINITION.—In this section, the term “amounts*  
20 *appropriated or otherwise made available to the Depart-*  
21 *ment of Defense for the reconstruction of Afghanistan”*  
22 *means amounts appropriated or otherwise made available*  
23 *for any fiscal year—*

24               (1) *to the Afghanistan Security Forces Fund;*

1           (2) to the program to assist the people of Afghan-  
2           istan established under subsection (a)(2) of section  
3           1202 of the National Defense Authorization for Fiscal  
4           Year 2006 (Public Law 109–163; 119 Stat. 3455–  
5           3456); or

6           (3) to the Department of Defense for assistance  
7           for the reconstruction of Afghanistan under any other  
8           provision of law.

9           (n) FUNDING.—(1) Of the amounts appropriated for  
10          fiscal year 2008 to the Afghanistan Security Forces Fund,  
11          such sums as may be necessary shall be available to carry  
12          out this section.

13          (2) The amount available under paragraph (1) shall  
14          remain available until expended.

15          (o) TERMINATION.—(1) The Office of the Inspector  
16          General shall terminate 10 months after 80 percent of the  
17          funds appropriated or otherwise made available to the De-  
18          partment of Defense for the reconstruction of Afghanistan  
19          have been expended.

20          (2) The Special Inspector General for Afghanistan Re-  
21          construction shall, prior to the termination of the Office of  
22          the Special Inspector General under paragraph (1), prepare  
23          and submit to the congressional defense committees a final  
24          forensic audit report on all funds deemed to be amounts

1 *appropriated or otherwise made available to the Depart-*  
2 *ment of Defense for the reconstruction of Afghanistan.*

3 **SEC. 1232. REPORT ON PROGRESS TOWARD SECURITY AND**  
4 **STABILITY IN AFGHANISTAN.**

5 (a) *REPORT REQUIRED.*—*Not later than 90 days after*  
6 *the date of the enactment of this Act, the Secretary of De-*  
7 *fense shall submit to the appropriate congressional commit-*  
8 *tees a report on progress toward security and stability in*  
9 *Afghanistan.*

10 (b) *COORDINATION.*—*The report required by subsection*  
11 *(a) shall be prepared in coordination with the Secretary*  
12 *of State, the Attorney General, the Administrator of the*  
13 *Drug Enforcement Administration, the Administrator of*  
14 *the United States Agency for International Development,*  
15 *the Secretary of Agriculture, and the head of any other de-*  
16 *partment or agency of the Government of the United States*  
17 *involved with activities relating to security and stability*  
18 *in Afghanistan.*

19 (c) *MATTERS TO BE INCLUDED: STRATEGIC DIREC-*  
20 *TION OF UNITED STATES ACTIVITIES RELATING TO SECU-*  
21 *RITY AND STABILITY IN AFGHANISTAN.*—*The report re-*  
22 *quired by subsection (a) shall include a description of the*  
23 *strategic direction of activities of the United States relating*  
24 *to security and stability in Afghanistan. Such description*

1 *shall include a general overview followed by a separate de-*  
2 *tailed section for each of the following:*

3 (1) *AFGHANISTAN NATIONAL SECURITY FORCES*  
4 *CAPACITY-BUILDING.—A description of the following:*

5 (A) *A clear, comprehensive and effective*  
6 *long-term strategy and budget, with defined ob-*  
7 *jectives, for activities relating to strengthening*  
8 *the resources, capabilities, and effectiveness of the*  
9 *Afghanistan National Army (ANA) and the Af-*  
10 *ghanistan National Police (ANP) of the Afghani-*  
11 *stan National Security Forces (ANSF), which*  
12 *ensure that a strong and fully-capable ANSF is*  
13 *able to independently and effectively conduct op-*  
14 *erations and maintain security and stability in*  
15 *Afghanistan (hereinafter in this section referred*  
16 *to as “ANSF capacity-building”).*

17 (B) *Any actions to achieve the following*  
18 *goals with respect to ANSF capacity-building,*  
19 *and the results of such actions:*

20 (i) *Improve coordination with all rel-*  
21 *evant departments and agencies of the*  
22 *United States Government, as well as coun-*  
23 *tries participating in the North Atlantic*  
24 *Treaty Organization International Assist-*

1                    *ance Force (NATO–ISAF) and other inter-*  
2                    *national partners.*

3                    *(ii) Improve ANSF recruitment and*  
4                    *retention, including through improved vet-*  
5                    *ting and salaries for ANSF.*

6                    *(iii) Increase and improve ANSF*  
7                    *training and mentoring.*

8                    *(iv) Strengthen the partnership be-*  
9                    *tween the Governments of the United States*  
10                   *and Afghanistan.*

11                   *(2) PROVINCIAL RECONSTRUCTION TEAMS AND*  
12                   *OTHER RECONSTRUCTION AND DEVELOPMENT ACTIVI-*  
13                   *TIES.—A description of the following:*

14                   *(A) A clear, comprehensive and effective*  
15                   *long-term strategy and budget, with defined ob-*  
16                   *jectives, for activities relating to reconstruction*  
17                   *and development in Afghanistan.*

18                   *(B) Any actions to achieve the following*  
19                   *goals with respect to activities relating to recon-*  
20                   *struction and development in Afghanistan, and*  
21                   *the results of such actions:*

22                   *(i) Improve coordination with all rel-*  
23                   *evant departments and agencies of the*  
24                   *United States Government, as well as*

1            *NATO–ISAF countries and other inter-*  
2            *national partners.*

3            *(ii) Clarify a single chain of command*  
4            *and operations plans for provincial recon-*  
5            *struction teams (PRTs) in Afghanistan.*

6            *(iii) Increase staffing, particularly*  
7            *staffing of civilian specialists, and increase*  
8            *staff training for PRTs.*

9            *(iv) Expand the National Solidarity*  
10           *Program and other efforts to develop the*  
11           *ability of the Afghan people to assume*  
12           *greater responsibility for their own recon-*  
13           *struction and development projects.*

14           *(v) Strengthen the partnership between*  
15           *the Governments of the United States and*  
16           *Afghanistan.*

17           *(vi) Strengthen reconstruction and de-*  
18           *velopment oversight activities, including*  
19           *implementation of any recommendations of*  
20           *the Special Inspector General for Afghani-*  
21           *stan Reconstruction.*

22           *(3) REGIONAL CONSIDERATIONS.—A description*  
23           *of any actions and the results of such actions to in-*  
24           *crease cooperation with countries geographically lo-*  
25           *cated around Afghanistan’s border, with a particular*

1       *focus on improving security and stability in the Af-*  
2       *ghanistan-Pakistan border areas.*

3       (d) *MATTERS TO BE INCLUDED: PERFORMANCE INDICATORS AND MEASURES OF PROGRESS TOWARD SUSTAIN-*  
4       *ABLE LONG-TERM SECURITY AND STABILITY IN AFGHANI-*  
5       *STAN.—*

7               (1) *IN GENERAL.—The report required by sub-*  
8       *section (a) shall set forth, in a section separate from*  
9       *any other section of the report, a comprehensive set of*  
10       *performance indicators and measures of progress to-*  
11       *ward sustainable long-term security and stability in*  
12       *Afghanistan, as specified in paragraph (2), and shall*  
13       *include performance standards and progress goals, to-*  
14       *gether with a notional timetable for achieving such*  
15       *goals.*

16               (2) *PERFORMANCE INDICATORS AND MEASURES*  
17       *OF PROGRESS SPECIFIED.—The performance indica-*  
18       *tors and measures of progress specified in this para-*  
19       *graph shall include, at a minimum, the following:*

20                       (A) *Key measures of political stability re-*  
21                       *lating to both central and local Afghan govern-*  
22                       *ance.*

23                       (B) *An assessment of military operations of*  
24                       *NATO–ISAF and NATO–ISAF countries, and*  
25                       *an assessment of separate military operations by*

1           *United States forces. Such assessments shall in-*  
2           *clude number of engagements per day, trends re-*  
3           *lating to the numbers and types of hostile en-*  
4           *counters, equipment used, effect of national cave-*  
5           *ats that limit operations, geographic location of*  
6           *operations, and number of civilian casualties.*

7           *(C) For the Afghanistan National Army*  
8           *(ANA), and separately for the Afghanistan Na-*  
9           *tional Police (ANP), of the Afghanistan National*  
10          *Security Forces (ANSF) an assessment of the fol-*  
11          *lowing:*

12                   *(i) Recruitment and retention num-*  
13                   *bers; rates of absenteeism; vetting procedures*  
14                   *and mechanisms; salaries; numbers trained*  
15                   *and mentored; type of training and men-*  
16                   *toring, including training and mentoring*  
17                   *providers and numbers receiving classroom*  
18                   *or field training; organizational force struc-*  
19                   *ture; equipment used; operational perform-*  
20                   *ance, including ANA and ANP that are (I)*  
21                   *capable of conducting operations independ-*  
22                   *ently, (II) capable of conducting operations*  
23                   *with the support of the United States,*  
24                   *NATO-ISAF forces, or other Coalition*

1                   *forces, or (III) not ready to conduct oper-*  
2                   *ations.*

3                   *(ii) Effectiveness of ANA or ANP offi-*  
4                   *cers and the ANA and ANP chain of com-*  
5                   *mand.*

6                   *(iii) Extent to which insurgents have*  
7                   *infiltrated the ANA and ANP.*

8                   *(iv) Number of United States and Coa-*  
9                   *lition trainers, mentors, and advisors need-*  
10                  *ed to support the ANA and ANP and asso-*  
11                  *ciated ministries.*

12                  *(v) Estimated number and capability*  
13                  *level of ANA and ANP needed to perform*  
14                  *duties now undertaken by the United*  
15                  *States, NATO-ISAF forces, and other Coali-*  
16                  *tion forces, including securing Afghanistan's*  
17                  *border with Pakistan and providing ade-*  
18                  *quate levels of law and order throughout Af-*  
19                  *ghanistan.*

20                  *(D) An assessment of the estimated strength*  
21                  *of the insurgency in Afghanistan and the extent*  
22                  *to which it is composed of non-Afghan fighters*  
23                  *and utilizing weapons or weapons-related mate-*  
24                  *rials from countries other than Afghanistan.*

1           (E) *A description of all terrorist and insur-*  
2           *gent groups operating in Afghanistan, including*  
3           *the number, size, equipment, strength, military*  
4           *effectiveness, sources of support, legal status, and*  
5           *any efforts to disarm or reintegrate each insur-*  
6           *gent group.*

7           (F) *An assessment of security and stability,*  
8           *including terrorist and insurgent activity, in Af-*  
9           *ghanistan-Pakistan border areas and in Paki-*  
10          *stan's Federally Administered Tribal Areas*  
11          *(FATA).*

12          (G) *An assessment of United States mili-*  
13          *tary requirements, including planned force rota-*  
14          *tions, through the end of calendar year 2008.*

15          (e) *UPDATE OF REPORT.*—*Not later than 90 days after*  
16          *the submission of the report required by subsection (a), and*  
17          *every 90 days thereafter, the Secretary of Defense shall sub-*  
18          *mit to the appropriate congressional committees an update*  
19          *of the report.*

20          (f) *FORM.*—*The report required by subsection (a) and*  
21          *updates of the report required by subsection (e) shall be sub-*  
22          *mitted in unclassified form, but may include a classified*  
23          *annex, if necessary.*

24          (g) *CONGRESSIONAL BRIEFINGS.*—*The Secretary of*  
25          *Defense shall supplement the report required by subsection*

1 (a) and updates of the report required by subsection (e) with  
2 regular briefings to the appropriate congressional commit-  
3 tees on the subject matter of the report or updates of the  
4 report.

5 (h) *APPROPRIATE CONGRESSIONAL COMMITTEES DE-*  
6 *FINED.*—*In this section, the term “appropriate congres-*  
7 *sional committees” means—*

8 (1) *the Committee on Armed Services, the Com-*  
9 *mittee on Appropriations, and the Committee on For-*  
10 *foreign Affairs of the House of Representatives; and*

11 (2) *the Committee on Armed Services, the Com-*  
12 *mittee on Appropriations, and the Committee on For-*  
13 *eign Relations of the Senate.*

14 **SEC. 1233. REPORT ON PROGRESS OF THE DEPARTMENT OF**  
15 **DEFENSE’S COUNTER-NARCOTICS PROGRAM**  
16 **FOR AFGHANISTAN.**

17 (a) *REPORT REQUIRED.*—*Not later than 90 days after*  
18 *the date of the enactment of this Act, the Secretary of De-*  
19 *fense shall submit to Congress a report on—*

20 (1) *the counter-narcotics objectives of the Depart-*  
21 *ment of Defense for Afghanistan; and*

22 (2) *the strategy for implementing such objectives.*

23 (b) *MATTERS TO BE INCLUDED.*—*The report required*  
24 *by subsection (a) shall—*

1           (1) *identify the role and responsibilities of the*  
2           *Department of Defense in addressing any of the ap-*  
3           *plicable five pillars that comprise the counter-nar-*  
4           *cotics strategy and implementation plan for Afghani-*  
5           *stan: public information, rural development (alter-*  
6           *native livelihoods), elimination and eradication ac-*  
7           *tivities, law enforcement and interdiction, and law*  
8           *enforcement and justice reform;*

9           (2) *describe the strategic direction of activities of*  
10          *the Department of Defense relating to counter-nar-*  
11          *cotics efforts in Afghanistan, and specifically include*  
12          *a description of—*

13                (A) *a clear, comprehensive and effective*  
14                *long-term strategy and any planned budget, with*  
15                *defined objectives; and*

16                (B) *actions that the Department of Defense*  
17                *has undertaken and has planned, to—*

18                    (i) *improve coordination with all rel-*  
19                    *evant departments and agencies of the*  
20                    *United States Government;*

21                    (ii) *strengthen significantly the Af-*  
22                    *ghanistan National Counter-Narcotics Po-*  
23                    *lice;*

- 1                   (iii) build the capacity of the Afghan  
2                   Government to assume greater responsibility  
3                   for counter-narcotics related-activities;
- 4                   (iv) improve counter-narcotics intel-  
5                   ligence capabilities;
- 6                   (v) strengthen capabilities in support  
7                   of narcotics-related interdiction activities;
- 8                   (vi) effectively address problems with  
9                   any counter-narcotics strategies involving  
10                  the Department of Defense; and
- 11                  (vii) address other elements of the ap-  
12                  plicable five pillars that comprise the  
13                  counter-narcotics strategy and implementa-  
14                  tion plan for Afghanistan as described in  
15                  paragraph (1); and
- 16                  (3) set forth, in a section separate from any  
17                  other section of the report, a comprehensive set of per-  
18                  formance indicators and measures of progress for the  
19                  Department of Defense's programs relating to  
20                  counter-narcotics efforts in Afghanistan, which shall  
21                  include performance standards and progress goals, to-  
22                  gether with a notional timetable for achieving such  
23                  goals.
- 24                  (c) *UPDATE OF REPORT.*—Not later than 90 days after  
25                  the submission of the report required by subsection (a), and

1 *every 90 days thereafter, the Secretary of Defense shall sub-*  
2 *mit to Congress an update of the report.*

3 (d) *CONCURRENT SUBMISSION OF REPORT.*—*The re-*  
4 *port required by subsection (a) and updates of the report*  
5 *required by subsection (c) shall be submitted concurrently*  
6 *with the report required by section 1232 of this Act (relat-*  
7 *ing to progress toward security and stability in Afghani-*  
8 *stan).*

9 (e) *FORM.*—*The report required by subsection (a) and*  
10 *updates of the report required by subsection (c) shall be sub-*  
11 *mitted in unclassified form, but may include a classified*  
12 *annex, if necessary.*

13 **SEC. 1234. UNITED STATES PLAN FOR SUSTAINING THE AF-**  
14 **GHANISTAN NATIONAL SECURITY FORCES.**

15 (a) *PLAN REQUIRED.*—*Not later than 90 days after*  
16 *the date of the enactment of this Act, the Secretary of De-*  
17 *fense shall submit to the appropriate congressional commit-*  
18 *tees a long-term detailed plan for sustaining the Afghani-*  
19 *stan National Army and the Afghanistan National Police*  
20 *of the Afghanistan National Security Forces (ANSF). The*  
21 *plan required by this subsection shall ensure that a strong*  
22 *and fully-capable ANSF will be able to independently and*  
23 *effectively conduct operations and maintain long-term secu-*  
24 *rity and stability in Afghanistan.*

1           (b) *COORDINATION.*—*The plan required by subsection*  
2 *(a) shall be prepared in coordination with the Secretary*  
3 *of State and the Attorney General.*

4           (c) *MATTERS TO BE INCLUDED.*—*The plan required*  
5 *by subsection (a) shall include a description of the following*  
6 *matters relating to sustainability of the ANSF:*

7                 (1) *A clear, comprehensive and effective long-*  
8 *term strategy and budget, with defined objectives.*

9                 (2) *A mechanism for tracking funding, including*  
10 *obligations and expenditures, as well as equipment,*  
11 *training, and services provided for the ANSF by the*  
12 *United States, countries participating in the North*  
13 *Atlantic Treaty Organization International Security*  
14 *Assistance Force (NATO-ISAF countries), and other*  
15 *international partners.*

16                 (3) *A comprehensive set of performance indica-*  
17 *tors and measures of progress related to sustaining*  
18 *the ANSF, which shall include performance standards*  
19 *and progress goals, together with a notional timetable*  
20 *for achieving such goals.*

21                 (4) *Actions to achieve the following goals:*

22                         (A) *Effective Afghan security institutions*  
23 *with fully-capable leadership and staff, including*  
24 *a reformed Ministry of Interior, a fully-estab-*  
25 *lished Ministry of Defense, and logistics, intel-*

1           *ligence, medical, and recruiting units (ANSF-*  
2           *sustaining institutions).*

3           *(B) Fully-trained, equipped and capable*  
4           *ANSF in sufficient numbers.*

5           *(C) Strong ANSF-readiness assessment tools*  
6           *and metrics.*

7           *(D) A strong core of senior-level ANSF offi-*  
8           *cers.*

9           *(E) Strong ANSF communication and con-*  
10          *trol between central command and regions, prov-*  
11          *inces, and districts.*

12          *(F) A robust mentoring and advising pro-*  
13          *gram for the ANSF.*

14          *(G) A strong professional military training*  
15          *and education program for all junior, mid-level,*  
16          *and senior ANSF officials.*

17          *(H) Effective merit-based salary, rank, pro-*  
18          *motion, and incentive structures for the ANSF.*

19          *(I) An established code of professional*  
20          *standards for the ANSF.*

21          *(J) A mechanism for incorporating lessons*  
22          *learned and best practices into ANSF operations.*

23          *(K) An ANSF personnel accountability sys-*  
24          *tem with effective internal discipline procedures*  
25          *and mechanisms.*

1           (L) *A system for addressing ANSF per-*  
2           *sonnel complaints.*

3           (M) *A strong record-keeping system to track*  
4           *ANSF equipment and personnel issues, and other*  
5           *ANSF oversight mechanisms.*

6           (5) *Coordination with all relevant United States*  
7           *Government departments and agencies, as well as*  
8           *NATO-ISAF countries and other international part-*  
9           *ners, including on—*

10           (A) *funding;*

11           (B) *reform and establishment of ANSF-sus-*  
12           *taining institutions; and*

13           (C) *efforts to ensure that progress on sus-*  
14           *taining the ANSF is reinforced with progress in*  
15           *other pillars of the Afghan security sector, par-*  
16           *ticularly progress on building an effective judici-*  
17           *ary, curbing production and trafficking of illicit*  
18           *narcotics, and demobilizing, disarming, and re-*  
19           *integrating militia fighters.*

20           (d) *UPDATE OF PLAN.—Not later than 90 days after*  
21           *the submission of the plan required by subsection (a), and*  
22           *every 90 days thereafter, the Secretary of Defense, in coordi-*  
23           *nation with the Secretary of State and the Attorney Gen-*  
24           *eral, shall submit to the appropriate congressional commit-*

1 *tees an update of the plan required by subsection (a), as*  
2 *necessary.*

3 *(e) CONCURRENT SUBMISSION OF PLAN.—The plan re-*  
4 *quired by subsection (a), and any update of the plan re-*  
5 *quired by subsection (d), shall be submitted concurrently*  
6 *with the report required by section 1232 of this Act (relat-*  
7 *ing to progress toward security and stability in Afghani-*  
8 *stan).*

9 *(f) APPROPRIATE CONGRESSIONAL COMMITTEES DE-*  
10 *FINED.—In this section, the term “appropriate congres-*  
11 *sional committees” means—*

12 *(1) the Committee on Armed Services, the Com-*  
13 *mittee on Appropriations, the Committee on Foreign*  
14 *Affairs, and the Committee on the Judiciary of the*  
15 *House of Representatives; and*

16 *(2) the Committee on Armed Services, the Com-*  
17 *mittee on Appropriations, the Committee on Foreign*  
18 *Relations, and the Committee on the Judiciary of the*  
19 *Senate.*

## 20 ***Subtitle D—Other Matters***

### 21 ***SEC. 1241. COOPERATIVE RESEARCH AND DEVELOPMENT*** 22 ***AGREEMENTS: NATO ORGANIZATIONS; AL-*** 23 ***LIED AND FRIENDLY FOREIGN COUNTRIES.***

24 *Subsection (e) of section 2350a of title 10, United*  
25 *States Code, is amended—*

1           (1) *in paragraph (1)—*

2                   (A) *by striking “an arms cooperation op-*  
3 *portunities document” each place it appears and*  
4 *inserting “a cooperative opportunities docu-*  
5 *ment”*; and

6                   (B) *in subparagraph (B), by striking “a*  
7 *Mission Need Statement” and inserting “an*  
8 *analysis of alternatives plan”*; and

9           (2) *in paragraph (2), by striking “An arms co-*  
10 *operation opportunities document” and inserting “A*  
11 *cooperative opportunities document”.*

12 **SEC. 1242. EXTENSION OF COUNTERPROLIFERATION PRO-**  
13 **GRAM REVIEW COMMITTEE.**

14           (a) *MEMBERS.—Section 1605 of the National Defense*  
15 *Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751*  
16 *note) is amended in subsection (a)(1)—*

17                   (1) *in subparagraph (C) by striking “Director of*  
18 *Central Intelligence” and inserting “Director of Na-*  
19 *tional Intelligence”*; and

20                   (2) *by adding at the end the following:*

21                           “(E) *The Secretary of State.*

22                           “(F) *The Secretary of Homeland Security.*

23                           “(G) *The Secretary of Health and Human*  
24 *Services.*

1                   “(H) *The Administrator of the Environ-*  
2                   *mental Protection Agency.*”.

3           (b) *ACCESS TO INFORMATION.*—*Subsection (d) of such*  
4 *section is amended by inserting after “Department of En-*  
5 *ergy,” the following: “the Department of State, the Depart-*  
6 *ment of Homeland Security, the Department of Health and*  
7 *Human Services, the Environmental Protection Agency.”.*

8           (c) *TERMINATION.*—*Subsection (f) of such section is*  
9 *amended by striking “2008” and inserting “2013”.*

10          (d) *SUBMISSION OF REPORT.*—*Section 1503 of the Na-*  
11 *tional Defense Authorization Act for Fiscal Year 1995 (22*  
12 *U.S.C. 2751 note) is amended—*

13                   (1) *in subsection (a)—*

14                           (A) *by striking “ANNUAL” and inserting*  
15                           *“BIENNIAL”; and*

16                           (B) *by striking “May 1 each year” and in-*  
17                           *serting “March 1 each odd-numbered year”; and*

18                   (2) *in subsection (b)(5)—*

19                           (A) *by striking “fiscal year preceding” and*  
20                           *inserting “two fiscal years preceding”; and*

21                           (B) *by striking “preceding fiscal year” and*  
22                           *inserting “preceding fiscal years”.*

1 **SEC. 1243. SENSE OF CONGRESS CONCERNING THE WEST-**  
2 **ERN HEMISPHERE INSTITUTE FOR SECURITY**  
3 **COOPERATION.**

4 *It is the sense of Congress that—*

5 *(1) the education and training facility of the De-*  
6 *partment of Defense known as the Western Hemi-*  
7 *sphere Institute for Security Cooperation is suc-*  
8 *ceeding in meeting its stated mission of providing*  
9 *professional education and training to eligible mili-*  
10 *tary personnel, law enforcement officials, and civil-*  
11 *ians of nations of the Western Hemisphere that sup-*  
12 *port the democratic principles set forth in the Charter*  
13 *of the Organization of American States, while fos-*  
14 *tering mutual knowledge, transparency, confidence,*  
15 *and cooperation among the participating nations and*  
16 *promoting democratic values and respect for human*  
17 *rights; and*

18 *(2) therefore, the Institute is an invaluable edu-*  
19 *cation and training facility which the Department of*  
20 *Defense should continue to utilize in order to help fos-*  
21 *ter a spirit of partnership and interoperability*  
22 *among the United States military and the militaries*  
23 *of participating nations.*

1 **SEC. 1244. SENSE OF CONGRESS CONCERNING THE STRA-**  
2 **TEGIC MILITARY CAPABILITIES AND INTEN-**  
3 **TIONS OF THE PEOPLE'S REPUBLIC OF**  
4 **CHINA.**

5 *It is the sense of Congress that—*

6 *(1) United States military war-fighting capa-*  
7 *bilities are potentially threatened by the strategic*  
8 *military capabilities and intentions of the People's*  
9 *Republic of China, as demonstrated by—*

10 *(A) the October 2006 undetected broach of a*  
11 *Chinese SONG-class diesel-electric submarine in*  
12 *close proximity of the USS Kitty Hawk in inter-*  
13 *national waters; and*

14 *(B) the January 2007 test of a direct ascent*  
15 *anti-satellite (ASAT) weapon, posing a potential*  
16 *threat to United States military assets in space;*

17 *(2) it is in the national security interests of the*  
18 *United States to make every effort to understand Chi-*  
19 *na's strategic military capabilities and intentions;*  
20 *and*

21 *(3) as part of such an effort, the Secretary of De-*  
22 *fense should expand efforts to develop an accurate as-*  
23 *essment of China's strategic military modernization,*  
24 *particularly with regard to its sea- and space-based*  
25 *strategic capabilities.*

1 **TITLE** **XIII—COOPERATIVE**  
 2 **THREAT REDUCTION WITH**  
 3 **STATES OF THE FORMER SO-**  
 4 **VIET UNION**

*Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.*

*Sec. 1302. Funding allocations.*

*Sec. 1303. New initiatives for the Cooperative Threat Reduction Program.*

*Sec. 1304. Requirements relating to chemical weapons destruction at Shchuch'ye, Russia.*

*Sec. 1305. Repeal of restrictions on Cooperative Threat Reduction Program.*

*Sec. 1306. Authority to use Cooperative Threat Reduction funds outside the former Soviet Union.*

5 **SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-**  
 6 **DUCTION PROGRAMS AND FUNDS.**

7 (a) *SPECIFICATION OF CTR PROGRAMS.—For pur-*  
 8 *poses of section 301 and other provisions of this Act, Coop-*  
 9 *erative Threat Reduction programs are the programs speci-*  
 10 *fied in section 1501(b) of the National Defense Authoriza-*  
 11 *tion Act for Fiscal Year 1997 (Public Law 104-201; 110*  
 12 *Stat. 2731; 50 U.S.C. 2362 note).*

13 (b) *FISCAL YEAR 2008 COOPERATIVE THREAT REDUC-*  
 14 *TION FUNDS DEFINED.—As used in this title, the term “fis-*  
 15 *cal year 2008 Cooperative Threat Reduction funds” means*  
 16 *the funds appropriated pursuant to the authorization of ap-*  
 17 *propriations in section 301 for Cooperative Threat Reduc-*  
 18 *tion programs.*

19 (c) *AVAILABILITY OF FUNDS.—Funds appropriated*  
 20 *pursuant to the authorization of appropriations in section*

1 301 for Cooperative Threat Reduction programs shall be  
2 available for obligation for three fiscal years.

3 **SEC. 1302. FUNDING ALLOCATIONS.**

4 (a) *FUNDING FOR SPECIFIC PURPOSES.*—Of the  
5 \$398,000,000 authorized to be appropriated to the Depart-  
6 ment of Defense for fiscal year 2008 in section 301(19) for  
7 Cooperative Threat Reduction programs, the following  
8 amounts may be obligated for the purposes specified:

9 (1) For strategic offensive arms elimination in  
10 the Russian Federation, \$77,900,000.

11 (2) For nuclear weapons storage security in Rus-  
12 sia, \$23,000,000.

13 (3) For nuclear weapons transportation security  
14 in Russia, \$37,700,000.

15 (4) For weapons of mass destruction prolifera-  
16 tion prevention in the states of the former Soviet  
17 Union, \$38,000,000.

18 (5) For biological weapons proliferation preven-  
19 tion in the former Soviet Union, \$144,400,000.

20 (6) For chemical weapons destruction in Russia,  
21 \$42,700,000.

22 (7) For defense and military contacts,  
23 \$8,000,000.

24 (8) For new Cooperative Threat Reduction ini-  
25 tiatives that are outside the scope of existing Coopera-

1        *tive Threat Reduction programs and projects,*  
2        *\$7,000,000.*

3            *(9) For activities designated as Other Assess-*  
4        *ments/Administration costs, \$19,300,000, of which*  
5        *\$300,000 is to expand staff capacity, capabilities, and*  
6        *resources necessary for activities related to new Coop-*  
7        *erative Threat Reduction initiatives authorized under*  
8        *paragraph (8).*

9            *(b) REPORT ON OBLIGATION OR EXPENDITURE OF*  
10        *FUNDS FOR OTHER PURPOSES.—No fiscal year 2008 Coop-*  
11        *erative Threat Reduction funds may be obligated or ex-*  
12        *pended for a purpose other than a purpose listed in para-*  
13        *graphs (1) through (9) of subsection (a) until 30 days after*  
14        *the date that the Secretary of Defense submits to Congress*  
15        *a report on the purpose for which the funds will be obligated*  
16        *or expended and the amount of funds to be obligated or ex-*  
17        *pended. Nothing in the preceding sentence shall be construed*  
18        *as authorizing the obligation or expenditure of fiscal year*  
19        *2008 Cooperative Threat Reduction funds for a purpose for*  
20        *which the obligation or expenditure of such funds is specifi-*  
21        *cally prohibited under this title or any other provision of*  
22        *law.*

23            *(c) LIMITED AUTHORITY TO VARY INDIVIDUAL*  
24        *AMOUNTS.—*

1           (1) *IN GENERAL.*—Subject to paragraphs (2) and  
2           (3), in any case in which the Secretary of Defense de-  
3           termines that it is necessary to do so in the national  
4           interest, the Secretary may obligate amounts appro-  
5           priated for fiscal year 2008 for a purpose listed in  
6           any of the paragraphs in subsection (a) in excess of  
7           the specific amount authorized for that purpose.

8           (2) *NOTICE-AND-WAIT REQUIRED.*—An obligation  
9           of funds for a purpose stated in any of the para-  
10          graphs in subsection (a) in excess of the specific  
11          amount authorized for such purpose may be made  
12          using the authority provided in paragraph (1) only  
13          after—

14                 (A) the Secretary submits to Congress noti-  
15                 fication of the intent to do so together with a  
16                 complete discussion of the justification for doing  
17                 so; and

18                 (B) 15 days have elapsed following the date  
19                 of the notification.

20          (3) *RESTRICTION.*—The Secretary may not,  
21          under the authority provided in paragraph (1), obli-  
22          gate amounts for a purpose stated in any of para-  
23          graphs (6) through (9) of subsection (a) in excess of  
24          125 percent of the specific amount authorized for such  
25          purpose.

1 **SEC. 1303. NEW INITIATIVES FOR THE COOPERATIVE**  
2 **THREAT REDUCTION PROGRAM.**

3 (a) *SENSE OF CONGRESS.*—*It is the sense of Congress*  
4 *that—*

5 (1) *the Department of Defense Cooperative*  
6 *Threat Reduction (CTR) Program should be strenght-*  
7 *ened and expanded, in part by developing new CTR*  
8 *initiatives;*

9 (2) *such new initiatives should—*

10 (A) *increase international security and*  
11 *threat reduction cooperation, capacity building,*  
12 *and security and elimination of nuclear, chem-*  
13 *ical, and biological weapons and weapons-related*  
14 *materials that pose a threat to United States na-*  
15 *tional security interests;*

16 (B) *be well-coordinated with the Depart-*  
17 *ment of Energy, the Department of State, and*  
18 *any other relevant United States Government*  
19 *agency or department;*

20 (C) *include robust transparency, account-*  
21 *ability, verification measures and mechanisms,*  
22 *and legal frameworks between the United States*  
23 *and CTR partner countries;*

24 (D) *reflect engagement with non-govern-*  
25 *mental experts, including the National Academy*

1           *of Sciences, on possible options for strengthening*  
2           *and expanding the CTR Program;*

3           *(E) include active work with the Russian*  
4           *Federation and other countries to establish*  
5           *strong CTR partnerships that, among other*  
6           *things—*

7                     *(i) increase the role of scientists and*  
8                     *government officials from Russia and other*  
9                     *partner countries in designing CTR pro-*  
10                    *grams and projects; and*

11                    *(ii) increase financial contributions*  
12                    *and additional commitments to CTR pro-*  
13                    *grams and projects from Russia and other*  
14                    *partner countries, as evidence that the pro-*  
15                    *grams and projects reflect national prior-*  
16                    *ities and will be sustainable;*

17           *(F) benefit from broad efforts to increase*  
18           *international contributions, in addition to con-*  
19           *tributions from CTR partner countries, for CTR*  
20           *programs and projects;*

21           *(G) incorporate a strong focus on national*  
22           *programs and sustainability, which includes ac-*  
23           *tions to address concerns raised and rec-*  
24           *ommendations made by the Government Ac-*  
25           *countability Office, in its report of February*

1           2007 titled “*Progress Made in Improving Secu-*  
2           *rity at Russian Nuclear Sites, but the Long-*  
3           *Term Sustainability of U.S. Funded Security*  
4           *Upgrades is Uncertain*”, regarding safeguarding  
5           *nuclear warheads and materials;*

6                     (H) *demonstrate an increased focus on and*  
7           *development of CTR programs and projects that*  
8           *eliminate and secure nuclear, chemical, and bio-*  
9           *logical weapons and weapons-related materials*  
10           *at the source; and*

11                    (I) *include active efforts to expand the scope*  
12           *of existing CTR programs and projects and de-*  
13           *velop new CTR programs and projects in Russia*  
14           *and the former Soviet Union, and in countries*  
15           *and regions outside the former Soviet Union,*  
16           *where appropriate and in the interest of United*  
17           *States national security; and*

18           (3) *such new initiatives could include—*

19                    (A) *new CTR programs and projects in*  
20           *Asia and the Middle East;*

21                    (B) *activities relating to the*  
22           *denuclearization of the Democratic People’s Re-*  
23           *public on Korea and security of the Korean pe-*  
24           *ninsula; and*

1           (C) *development of rapid-response and*  
2           *short-term capabilities to respond to unforeseen*  
3           *contingencies or pursue quickly emergent oppor-*  
4           *tunities.*

5           (b) *NATIONAL ACADEMY OF SCIENCES STUDY.—*

6           (1) *STUDY.—Not later than 30 days after the*  
7           *date of the enactment of this Act, the Secretary of De-*  
8           *fense shall enter into an arrangement with the Na-*  
9           *tional Academy of Sciences under which the Academy*  
10           *shall carry out a study to analyze options for*  
11           *strengthening and expanding the CTR Program.*

12           (2) *MATTERS TO BE INCLUDED IN STUDY.—The*  
13           *Secretary shall provide for the study under paragraph*  
14           *(1) to include—*

15           (A) *an assessment of each new CTR initia-*  
16           *tive described in subsection (a); and*

17           (B) *an identification of options and formu-*  
18           *lation of recommendations for strengthening and*  
19           *expanding the CTR Program.*

20           (c) *SECRETARY OF DEFENSE REPORT.—*

21           (1) *IN GENERAL.—Not later than March 31,*  
22           *2008, the Secretary of Defense shall submit to the con-*  
23           *gressional defense committees, and to the Committee*  
24           *on Foreign Relations of the Senate and the Committee*  
25           *on Foreign Affairs of the House of Representatives, a*

1       *report on new CTR initiatives. The report shall in-*  
2       *clude—*

3               *(A) the results of the study carried out*  
4               *under subsection (b), including any report or*  
5               *other document received from the National Acad-*  
6               *emy of Sciences with respect to such study;*

7               *(B) the Secretary's assessment of the study;*  
8               *and*

9               *(C) a specific action plan for the develop-*  
10              *ment and implementation of new CTR initia-*  
11              *tives and the use of any funds authorized and*  
12              *appropriated for fiscal year 2008 for such initia-*  
13              *tives, which shall include a discussion of each*  
14              *new CTR initiative described in subsection (a)*  
15              *and the action plan for implementing the rec-*  
16              *ommendations, if any, of the study carried out*  
17              *under subsection (b) that the Secretary has de-*  
18              *ecided to pursue.*

19              *(2) CLASSIFICATION.—The report shall be in un-*  
20              *classified form but may include a classified annex if*  
21              *necessary.*

22              *(d) FUNDING.—Of the amounts made available pursu-*  
23              *ant to the authorization of appropriations in section*  
24              *301(19) for new CTR initiatives under the CTR Program,*  
25              *\$1,000,000 shall be available to carry out this section.*

1 **SEC. 1304. REQUIREMENTS RELATING TO CHEMICAL WEAP-**  
2 **ONS DESTRUCTION AT SHCHUCH'YE, RUSSIA.**

3 (a) *NOTICE OF AGREEMENT REQUIRED.*—

4 (1) *IN GENERAL.*—*Not later than 30 days after*  
5 *the commencement of negotiations for, or the signing*  
6 *and finalization of, an agreement described in para-*  
7 *graph (2), the Secretary of Defense shall provide the*  
8 *congressional defense committees with formal written*  
9 *notice of the commencement of negotiations for that*  
10 *agreement or the signing or finalization of that agree-*  
11 *ment, as the case may be.*

12 (2) *AGREEMENT.*—*Paragraph (1) applies to any*  
13 *agreement with the Russian Federation, the imple-*  
14 *mentation of which would have the effect of—*

15 (A) *transferring to Russia any responsibil-*  
16 *ities relating to the scope of work for the*  
17 *Shchuch'ye project that are, as of the date of the*  
18 *enactment of this Act, responsibilities of the De-*  
19 *partment of Defense; or*

20 (B) *otherwise changing the implementation*  
21 *of the project in any manner inconsistent with*  
22 *the purpose and intent of the amounts author-*  
23 *ized and appropriated for the project.*

24 (b) *REPORT REQUIRED.*—*Not later than 60 days after*  
25 *the date of the enactment of this Act, the Secretary of De-*  
26 *fense shall submit to the congressional defense committees*

1 *a report on the Shchuch'ye project. The report shall in-*  
2 *clude—*

3 *(1) a current and detailed cost estimate for com-*  
4 *pletion of the project; and*

5 *(2) a specific strategic and operating plan for*  
6 *completion of the project, which includes—*

7 *(A) active engagement with Russia on se-*  
8 *curing appropriate contractors and other mat-*  
9 *ters relating to project completion;*

10 *(B) a comprehensive assessment of alter-*  
11 *native contracting options;*

12 *(C) robust Department project management*  
13 *and oversight, including management and over-*  
14 *sight with respect to the performance of any con-*  
15 *tractors;*

16 *(D) project quality assurance and sustain-*  
17 *ability measures, including measures to ensure*  
18 *security of the chemical weapons stockpile at the*  
19 *project site;*

20 *(E) metrics for measuring project progress*  
21 *with a timetable for achieving goals;*

22 *(F) coordination of the Department's efforts*  
23 *relating to the project with the Department of*  
24 *Energy and other departments or agencies of the*  
25 *United States Government, international part-*

1            *ners, and non-governmental experts who may be*  
2            *helpful in facilitating the project; and*

3            *(G) a project completion date.*

4            *(c) SUBMISSIONS REQUIRED BEFORE IMPLEMENTA-*  
5            *TION OF AGREEMENT.—The Secretary of Defense may not*  
6            *implement any agreement described in subsection (a)(2)*  
7            *until 90 days after the date on which the Secretary has*  
8            *submitted to the congressional defense committees all of the*  
9            *following:*

10            *(1) The report required by subsection (b).*

11            *(2) A copy of the signed and finalized agreement.*

12            *(3) The Secretary's certification that the signed*  
13            *and finalized agreement accomplishes each of the fol-*  
14            *lowing:*

15            *(A) Describes the respective responsibilities*  
16            *of the Department and Russia relating to com-*  
17            *pletion of the Shchuch'ye project, including in*  
18            *the areas of management, oversight, implementa-*  
19            *tion, security, quality assurance, and sustain-*  
20            *ability.*

21            *(B) Specifies the date of project completion.*

22            *(C) Provides the safeguards needed to ensure*  
23            *timely and effective project completion.*

24            *(D) Ensures that the chemical weapons*  
25            *stockpile at the project site is secure.*

1       (d) *CONGRESSIONAL BRIEFINGS.*—*The Secretary of*  
2 *Defense shall supplement the report required by subsection*  
3 *(b) with regular briefings to the congressional defense com-*  
4 *mittees on the subject matter of the report.*

5       (e) *DEFINITION.*—*In this section, the terms*  
6 *“Shchuch’ye project” and “project” mean the Cooperative*  
7 *Threat Reduction (CTR) Program chemical weapons de-*  
8 *struction project located in the area of Shchuch’ye in Rus-*  
9 *sia.*

10 **SEC. 1305. REPEAL OF RESTRICTIONS ON COOPERATIVE**  
11 **THREAT REDUCTION PROGRAM.**

12       (a) *SOVIET NUCLEAR THREAT REDUCTION ACT OF*  
13 *1991.*—*Section 211(b) of the Soviet Nuclear Threat Reduc-*  
14 *tion Act of 1991 (title II of Public Law 102-228; 22 U.S.C.*  
15 *2551 note) is repealed.*

16       (b) *COOPERATIVE THREAT REDUCTION ACT OF*  
17 *1993.*—*Section 1203(d) of the Cooperative Threat Reduc-*  
18 *tion Act of 1993 (title XII of Public Law 103-160; 22*  
19 *U.S.C. 5952(d)) is repealed.*

20       (c) *RUSSIAN CHEMICAL WEAPONS DESTRUCTION FA-*  
21 *CILITIES.*—*Section 1305 of the National Defense Authoriza-*  
22 *tion Act for Fiscal Year 2000 (Public Law 106-65; 22*  
23 *U.S.C. 5952 note) is repealed.*

1 **SEC. 1306. AUTHORITY TO USE COOPERATIVE THREAT RE-**  
2 **DUCTION FUNDS OUTSIDE THE FORMER SO-**  
3 **VIET UNION.**

4 (a) *MODIFICATION OF CERTIFICATION REQUIRE-*  
5 *MENT.*—Section 1308 of the National Defense Authorization  
6 Act for Fiscal Year 2004 (Public Law 108-136; 22 U.S.C.  
7 5963) is amended in subsection (a)—

8 (1) by striking “the President may” and insert-

9 ing “the Secretary of Defense may”; and

10 (2) by striking “if the President” and inserting

11 “if the Secretary of Defense, with the concurrence of

12 the Secretary of State,”.

13 (b) *REPEAL OF FUNDING LIMITATION.*—Section 1308  
14 of that Act is further amended by striking subsection (c).

15 (c) *CONGRESSIONAL NOTICE REQUIREMENT.*—Section  
16 1308 of that Act is further amended in subsection (d)—

17 (1) in paragraph (1)—

18 (A) by striking “The President may not”

19 and inserting “The Secretary of Defense may

20 not”; and

21 (B) by striking “until the President” and

22 inserting “until the Secretary of Defense”;

23 (2) in paragraph (2)—

24 (A) by striking “Not later than 10 days

25 after” and inserting “Not later than 15 days

26 prior to”;



- Sec. 1418. Improved training for health care professionals, medical care case managers, and service member advocates on particular conditions of recovering service members.*
- Sec. 1419. Pilot program to establish an Army Wounded Warrior Battalion at an appropriate active duty base.*
- Sec. 1420. Criteria for removal of member from temporary disability retired list.*
- Sec. 1421. Improved transition of members of the Armed Forces to Department of Veterans Affairs upon retirement or separation.*
- Sec. 1422. Establishment of Medical Support Fund for support of members of the Armed Forces returning to military service or civilian life.*
- Sec. 1423. Oversight Board for Wounded Warriors.*
- Sec. 1424. Option for members of reserve components to use military medical treatment facilities closest to home for certain injuries.*
- Sec. 1425. Plans and research for reducing post traumatic stress disorder.*

*Subtitle B—Studies and Reports*

- Sec. 1431. Annual report on military medical facilities.*
- Sec. 1432. Access of recovering service members to adequate outpatient residential facilities.*
- Sec. 1433. Evaluation and report on Department of Defense and Department of Veterans Affairs disability evaluation systems.*
- Sec. 1434. Study and report on support services for families of recovering service members.*
- Sec. 1435. Report on traumatic brain injury classifications.*
- Sec. 1436. Evaluation of the Polytrauma Liaison Officer/Non-Commissioned Officer Program.*
- Sec. 1437. Study and report on standard soldier patient tracking system.*
- Sec. 1438. Study and report on waiting periods for appointments at Department of Veterans Affairs medical facilities.*

*Subtitle C—General Provisions*

- Sec. 1451. Moratorium on conversion to contractor performance of Department of Defense functions at military medical facilities.*
- Sec. 1452. Prohibition on transfer of resources from medical care.*
- Sec. 1453. Increase in physicians at hospitals of the Department of Veterans Affairs.*

**1 SEC. 1401. DEFINITIONS.**

**2** *In this title:*

**3** (1) *CONGRESSIONAL DEFENSE COMMITTEES.—*

**4** *The term “congressional defense committees” has the*  
**5** *meaning given that term in section 101(a)(16) of title*  
**6** *10, United States Code.*

**7** (2) *DISABILITY EVALUATION SYSTEM.—The term*  
**8** *“disability evaluation system” means the Department*

1       of Defense system or process for evaluating the nature  
2       of and extent of disabilities affecting members of the  
3       armed forces (other than the Coast Guard) and com-  
4       prised of medical evaluation boards, physical evalua-  
5       tion boards, counseling of members, and final disposi-  
6       tion by appropriate personnel authorities, as operated  
7       by the Secretaries of the military departments, and,  
8       in the case of the Coast Guard, a similar system or  
9       process operated by the Secretary of Homeland Secu-  
10      rity.

11           (3) *FAMILY MEMBER*.—The term “family mem-  
12      ber”, with respect to a recovering service member, has  
13      the meaning given that term in section 411h(b) of  
14      title 37, United States Code.

15           (4) *RECOVERING SERVICE MEMBER*.—The term  
16      “recovering service member” means a member of the  
17      Armed Forces, including a member of the National  
18      Guard or a Reserve, who is undergoing medical treat-  
19      ment, recuperation, or therapy, or is otherwise in  
20      medical hold or holdover status, for an injury, illness,  
21      or disease incurred or aggravated while on active  
22      duty in the Armed Forces.

23           (5) *MEDICAL CARE*.—The term “medical care”  
24      includes mental health care.

1 ***Subtitle A—Improved Assistance for***  
2 ***Wounded Warriors***

3 ***SEC. 1411. IMPROVEMENTS TO MEDICAL AND DENTAL CARE***  
4 ***FOR MEMBERS OF THE ARMED FORCES AS-***  
5 ***SIGNED TO HOSPITALS IN AN OUTPATIENT***  
6 ***STATUS.***

7 *(a) MEDICAL AND DENTAL CARE OF MEMBERS AS-*  
8 *SIGNED TO HOSPITALS IN AN OUTPATIENT STATUS.—*

9 *(1) IN GENERAL.—Chapter 55 of title 10, United*  
10 *States Code, is amended by inserting after section*  
11 *1074k the following new section:*

12 ***“§1074l. Management of medical and dental care:***  
13 ***members assigned to receive care in an***  
14 ***outpatient status***

15 *“(a) MEDICAL CARE CASE MANAGERS.—(1) A member*  
16 *in an outpatient status at a military medical treatment*  
17 *facility shall be assigned a medical care case manager.*

18 *“(2)(A) The duties of the medical care case manager*  
19 *shall include the following with respect to the member (or*  
20 *the member’s immediate family if the member is incapable*  
21 *of making judgments about personal medical care):*

22 *“(i) To assist in understanding the member’s*  
23 *medical status.*

24 *“(ii) To assist in receiving prescribed medical*  
25 *care.*

1           “(iii) To conduct a review, at least once a week,  
2           of the member’s medical status.

3           “(B) The weekly medical status review described in  
4           subparagraph (A)(iii) shall be conducted in person with the  
5           member. If such a review is not practicable, the medical  
6           care case manager shall provide a written statement to the  
7           case manager’s supervisor indicating why an in-person  
8           medical status review was not possible.

9           “(3)(A) Except as provided in subparagraph (B), each  
10          medical care case manager shall be assigned to manage not  
11          more than 17 members in an outpatient status.

12          “(B) The Secretary concerned may waive for up to 120  
13          days the requirement of subparagraph (A) if required due  
14          to unforeseen circumstances.

15          “(4)(A) The medical care case manager office at each  
16          facility shall be headed by a commissioned officer of appro-  
17          priate rank and appropriate military occupation specialty,  
18          designator, or specialty code.

19          “(B) For purposes of subparagraph (A), an appro-  
20          priate military occupation specialty, designator, or spe-  
21          cialty code includes membership in the Army Medical  
22          Corps, Army Medical Service Corps, Army Nurse Corps,  
23          Navy Medical Corps, Navy Medical Service Corps, Navy  
24          Nurse Corps, Air Force Medical Service, or other corps com-

1 *prised of health care professionals at the discretion of the*  
2 *Secretary of Defense.*

3       “(5) *The Secretary of Defense shall establish a stand-*  
4 *ard training program and curriculum for medical care case*  
5 *managers. Successful completion of the training program*  
6 *is required before a person may assume the duties of a med-*  
7 *ical care case manager.*

8       “(6) *The Secretary concerned shall ensure that medical*  
9 *care case managers have the resources necessary to ensure*  
10 *that they expeditiously carry out the responsibilities and*  
11 *duties of their position.*

12       “(b) *SERVICE MEMBER ADVOCATE.—(1) A member in*  
13 *an outpatient status shall be assigned a service member ad-*  
14 *vocate.*

15       “(2) *The duties of the service member advocate shall*  
16 *include—*

17               “(A) *communicating with the member and with*  
18 *the member’s family or other individuals designated*  
19 *by the member;*

20               “(B) *assisting with oversight of the member’s*  
21 *welfare and quality of life; and*

22               “(C) *assisting the member in resolving problems*  
23 *involving financial, administrative, personnel, transi-*  
24 *tional, and other matters.*

1           “(3)(A) *Except as provided in subparagraph (B), each*  
2 *service member advocate shall be assigned to not more than*  
3 *30 members in an outpatient status.*

4           “(B) *The Secretary concerned may waive for up to 120*  
5 *days the requirement of subparagraph (A) if required due*  
6 *to unforeseen circumstances.*

7           “(4) *The service member advocate office at each facility*  
8 *shall be headed by a commissioned officer of appropriate*  
9 *rank and appropriate military occupation specialty, desig-*  
10 *nator, or specialty code in order to handle service-specific*  
11 *personnel and financial issues.*

12           “(5) *The Secretary of Defense shall establish a stand-*  
13 *ard training program and curriculum for service member*  
14 *advocates. Successful completion of the training program*  
15 *is required before a person may assume the duties of a serv-*  
16 *ice member advocate.*

17           “(6) *A service member advocate shall continue to per-*  
18 *form the duties described in paragraph (2) with respect to*  
19 *a member until the member is returned to duty or separated*  
20 *or retired from the armed forces.*

21           “(7) *The Secretary concerned shall ensure that service*  
22 *member advocates have the resources necessary to ensure*  
23 *that they expeditiously carry out the responsibilities and*  
24 *duties of their position.*

1           “(c) *OUTREACH.*—*The Secretary of Defense shall make*  
2 *available to each member in an outpatient status at a mili-*  
3 *tary medical treatment facility, and to the family members*  
4 *of all such members, information on the availability of serv-*  
5 *ices provided by the medical care case managers and service*  
6 *member advocates, including information on how to contact*  
7 *such managers and advocates and how to use their services.*

8           “(d) *SEMIANNUAL SURVEYS BY SECRETARIES CON-*  
9 *CERNED.*—*The Secretary concerned shall conduct a semi-*  
10 *annual survey of members in an outpatient status at instal-*  
11 *lations under the Secretary’s supervision. The survey shall*  
12 *include, at a minimum, the members’ assessment of the*  
13 *quality of medical care at the facility, the timeliness of med-*  
14 *ical care at the facility, the adequacy of living facilities*  
15 *and other quality of life programs, the adequacy of case*  
16 *management support, and the fairness and timeliness of the*  
17 *physical disability evaluation system. The survey shall be*  
18 *conducted in coordination with installation medical com-*  
19 *manders and authorities, and shall be coordinated with*  
20 *such commanders and authorities before submission to the*  
21 *Secretary.*

22           “(e) *DEFINITIONS.*—*In this section:*

23                   “(1) *The term ‘member in an outpatient status’*  
24                   *means a member of the armed forces assigned to a*  
25                   *military medical treatment facility as an outpatient*

1       or to a unit established for the purpose of providing  
 2       command and control of members receiving medical  
 3       care as outpatients.

4               “(2) The term ‘disability evaluation system’  
 5       means the Department of Defense system or process  
 6       for evaluating the nature of and extent of disabilities  
 7       affecting members of the armed forces (other than the  
 8       Coast Guard) and comprised of medical evaluation  
 9       boards, physical evaluation boards, counseling of  
 10       members, and final disposition by appropriate per-  
 11       sonnel authorities, as operated by the Secretaries of  
 12       the military departments, and, in the case of the  
 13       Coast Guard, a similar system or process operated by  
 14       the Secretary of Homeland Security.”.

15               (2) *CLERICAL AMENDMENT.*—The table of sec-  
 16       tions at the beginning of such chapter is amended by  
 17       adding at the end the following new item:

“1074l. Management of medical and dental care: members assigned to receive care  
 in an outpatient status.”.

18               (b) *EFFECTIVE DATE.*—Section 1074l of title 10,  
 19       United States Code, as added by subsection (a), shall take  
 20       effect 180 days after the date of the enactment of this Act.

21       **SEC. 1412. ESTABLISHMENT OF A DEPARTMENT OF DE-**  
 22       **FENSE-WIDE OMBUDSMAN OFFICE.**

23               (a) *ESTABLISHMENT.*—The Secretary of Defense shall  
 24       establish a Department of Defense-wide Ombudsman Office

1 *(in this section referred to as the “Ombudsman Office”)*  
2 *within the Office of the Secretary of Defense.*

3 *(b) FUNCTIONS.—*

4 *(1) IN GENERAL.—The functions of the Ombuds-*  
5 *man Office are to provide policy guidance to, and*  
6 *oversight of, the ombudsman offices in the military*  
7 *departments.*

8 *(2) POLICY GUIDANCE.—The Ombudsman Office*  
9 *shall develop policy guidance with respect to the fol-*  
10 *lowing:*

11 *(A) Providing assistance to and answering*  
12 *questions from recovering service members and*  
13 *their families regarding—*

14 *(i) administrative processes, financial*  
15 *matters, and non-military related services*  
16 *available to the members and their families*  
17 *throughout the member’s evaluation, treat-*  
18 *ment, and recovery;*

19 *(ii) transfer to the care of the Depart-*  
20 *ment of Veterans Affairs; and*

21 *(iii) support services available upon*  
22 *the member’s return home.*

23 *(B) Accountability standards, including—*

24 *(i) creating and maintaining case files*  
25 *for individual specific questions received,*

1                   *and initiating inquiries and tracking re-*  
2                   *sponses for all such questions;*

3                   *(ii) setting standards for timeliness of*  
4                   *responses; and*

5                   *(iii) setting standards for account-*  
6                   *ability to recovering service members and*  
7                   *their families, including requirements for*  
8                   *daily updates to the members and their*  
9                   *families about steps being taken to alleviate*  
10                  *problems and concerns until problems are*  
11                  *addressed.*

12                *(c) STATUS REPORTS.—The ombudsman office in each*  
13                *military department shall submit status reports of actions*  
14                *taken to address individual concerns to the Ombudsman Of-*  
15                *fice, at such times as the Ombudsman Office considers ap-*  
16                *propriate.*

17                *(d) RESPONSES FROM OTHER OFFICES.—The Sec-*  
18                *retary of Defense shall ensure that all other offices within*  
19                *the Department of Defense and the military departments*  
20                *respond in a timely manner to resolve questions and re-*  
21                *quests from the Ombudsman Office on behalf of recovering*  
22                *service members and their families, including offices respon-*  
23                *sible for medical matters (including medical holdover proc-*  
24                *esses), financial and accounting matters, legal matters,*  
25                *human resources matters, reserve component matters, in-*

1 stallation and management matters, and physical dis-  
2 ability matters.

3 (e) *STAFF OF THE OFFICE.*—The staff of the Ombuds-  
4 man Office shall include representatives from each military  
5 department, including persons with experience in medical  
6 holdover processes and other medical matters.

7 **SEC. 1413. ESTABLISHMENT OF TOLL-FREE HOT LINE FOR**  
8 **REPORTING DEFICIENCIES IN MEDICAL-RE-**  
9 **LATED SUPPORT FACILITIES AND EXPEDITED**  
10 **RESPONSE TO REPORTS OF DEFICIENCIES.**

11 (a) *ESTABLISHMENT.*—Chapter 80 of title 10, United  
12 States Code, is amended by adding at the end the following  
13 new section:

14 **“§1567. Identification and investigation of defi-**  
15 **ciencies in adequacy, quality, and state of**  
16 **repair of medical-related support facili-**  
17 **ties**

18 “(a) *TOLL-FREE HOT LINE.*—The Secretary of De-  
19 fense shall establish and maintain a toll-free telephone num-  
20 ber (commonly referred to as a ‘hot line’) at which personnel  
21 are accessible at all times to collect, maintain, and update  
22 information regarding possible deficiencies in the adequacy,  
23 quality, and state of repair of medical-related support fa-  
24 cilities. The Secretary shall widely disseminate information  
25 regarding the existence and availability of the toll-free tele-

1 *phone number to members of the armed forces and their*  
2 *dependents.*

3       “(b) *CONFIDENTIALITY.—(1) Individuals who seek to*  
4 *provide information through use of the toll-free telephone*  
5 *number under subsection (a) shall be notified, immediately*  
6 *before they provide such information, of their option to*  
7 *elect, at their discretion, to have their identity remain con-*  
8 *fidential.*

9       “(2) *In the case of information provided through use*  
10 *of the toll-free telephone number by an individual who elects*  
11 *to maintain the confidentiality of his or her identity, any*  
12 *individual who, by necessity, has had access to such infor-*  
13 *mation for purposes of conducting the investigation or exe-*  
14 *cuting the response plan required by subsection (c) may not*  
15 *disclose the identity of the individual who provided the in-*  
16 *formation.*

17       “(c) *INVESTIGATION AND RESPONSE PLAN.—Not later*  
18 *than 96 hours after a report of deficiencies in the adequacy,*  
19 *quality, or state of repair of a medical-related support facil-*  
20 *ity is received by way of the toll-free telephone number or*  
21 *other source, the Secretary of Defense shall ensure that—*

22               “(1) *the deficiencies referred to in the report are*  
23 *investigated; and*

1           “(2) if substantiated, a plan of action for reme-  
2           diation of the deficiencies is developed and imple-  
3           mented.

4           “(d) *RELOCATION*.—If the Secretary of Defense deter-  
5           mines, on the basis of the investigation conducted in re-  
6           sponse to a report of deficiencies at a medical-related sup-  
7           port facility, that conditions at the facility violate health  
8           and safety standards, the Secretary shall relocate the occu-  
9           pants of the facility while the violations are corrected.

10          “(e) *MEDICAL-RELATED SUPPORT FACILITY DE-*  
11          *FINED*.—In this section, the term ‘medical-related support  
12          facility’ means any facility of the Department of Defense  
13          that provides support to any of the following:

14                 “(1) Members of the armed forces admitted for  
15                 treatment to a military medical treatment facility.

16                 “(2) Members of the armed forces assigned to a  
17                 military medical treatment facility as an outpatient.

18                 “(3) Family members accompanying any mem-  
19                 ber described in paragraph (1) or (2) as a nonmed-  
20                 ical attendant.”.

21          “(b) *CLERICAL AMENDMENT*.—The table of sections at  
22          the beginning of such chapter is amended by adding at the  
23          end the following new item:

                  “1567. Identification and investigation of deficiencies in adequacy, quality, and  
                  state of repair of medical-related support facilities.”.

1       (c) *EFFECTIVE DATE.*—The toll-free telephone number  
2 required to be established by section 1567 of title 10, United  
3 States Code, as added by subsection (a), shall be fully oper-  
4 ational not later than 180 days after the date of the enact-  
5 ment of this Act.

6 **SEC. 1414. NOTIFICATION TO CONGRESS OF HOSPITALIZA-**  
7                   **TION OF COMBAT WOUNDED SERVICE MEM-**  
8                   **BERS.**

9       (a) *NOTIFICATION REQUIRED.*—Chapter 55 of title 10,  
10 United States Code, is further amended by inserting after  
11 section 1074l the following new section:

12 **“§ 1074m. Notification to Congress of hospitalization**  
13                   **of combat wounded members**

14       “(a) *NOTIFICATION REQUIRED.*—The Secretary con-  
15 cerned shall provide notification of the hospitalization of  
16 any member of the armed forces evacuated from a theater  
17 of combat to the appropriate Members of Congress.

18       “(b) *APPROPRIATE MEMBERS.*—In this section, the  
19 term ‘appropriate Members of Congress’, with respect to the  
20 member of the armed forces about whom notification is  
21 being made, means the Senators and the Members of the  
22 House of Representatives representing the States or dis-  
23 tricts, respectively, that include the member’s home of record  
24 and, if different, the residence of the next of kin, or a dif-  
25 ferent location as provided by the member.

1       “(c) *CONSENT OF MEMBER REQUIRED.*—*The notifica-*  
 2 *tion under subsection (a) may be provided only with the*  
 3 *consent of the member of the armed forces about whom noti-*  
 4 *fication is to be made. In the case of a member who is un-*  
 5 *able to provide consent, information and consent may be*  
 6 *provided by next of kin.”.*

7       “(b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 8 *the beginning of such chapter is amended by adding at the*  
 9 *end the following new item:*

“1074m. *Notification to Congress of hospitalization of combat wounded members.”.*

10 **SEC. 1415. INDEPENDENT MEDICAL ADVOCATE FOR MEM-**  
 11 **BERS BEFORE MEDICAL EVALUATION**  
 12 **BOARDS.**

13       “(a) *ASSIGNMENT OF INDEPENDENT MEDICAL ADVO-*  
 14 *CATE.*—*Section 1222 of title 10, United States Code, is*  
 15 *amended by adding at the end the following new subsection:*

16       “(d) *INDEPENDENT MEDICAL ADVOCATE FOR MEM-*  
 17 *BERS BEFORE MEDICAL EVALUATION BOARDS.*—(1) *The*  
 18 *Secretary of each military department shall ensure, in the*  
 19 *case of any member of the armed forces being considered*  
 20 *by a medical evaluation board under that Secretary’s super-*  
 21 *vision, that the member has access to a physician or other*  
 22 *appropriate health care professional who is independent of*  
 23 *the medical evaluation board.*

24       “(2) *The physician or other health care professional*  
 25 *assigned to a member shall—*

1           “(A) serve as an advocate for the best interests  
2 of the member; and

3           “(B) provide the member with advice and coun-  
4 sel regarding the medical condition of the member  
5 and the findings and recommendations of the medical  
6 evaluation board.”.

7           (b) CLERICAL AMENDMENTS.—

8           (1) SECTION HEADING.—The heading of such sec-  
9 tion is amended to read as follows:

10 **“§ 1222. Physical evaluation boards and medical eval-  
11 uation boards”.**

12           (2) TABLE OF SECTIONS.—The table of sections  
13 at the beginning of chapter 61 of such title is amend-  
14 ed by striking the item relating to section 1222 and  
15 inserting the following new item:

“1222. Physical evaluation boards and medical evaluation boards.”.

16           (c) EFFECTIVE DATE.—Subsection (d) of section 1222  
17 of title 10, United States Code, as added by subsection (a),  
18 shall apply with respect to medical evaluation boards con-  
19 vened after the end of the 180-day period beginning on the  
20 date of the enactment of this Act.

21 **SEC. 1416. TRAINING AND WORKLOAD FOR PHYSICAL EVAL-  
22 UATION BOARD LIAISON OFFICERS.**

23           (a) REQUIREMENTS.—Section 1222(b) of title 10,  
24 United States Code, is amended—

25           (1) in paragraph (1)—

1           (A) by striking “establishing—” and all  
2 that follows through “a requirement” and insert-  
3 ing “establishing a requirement”; and

4           (B) by striking “that Secretary; and” and  
5 all that follows through the end of subparagraph  
6 (B) and inserting “that Secretary. A physical  
7 evaluation board liaison officer may not be as-  
8 signed more than 20 members at any one time,  
9 except that the Secretary concerned may author-  
10 ize the assignment of additional members, for not  
11 more than 120 days, if required due to unfore-  
12 seen circumstances.”;

13          (2) in paragraph (2), by inserting after “(2)”  
14 the following new sentences: “The Secretary of Defense  
15 shall establish a standardized training program and  
16 curriculum for physical evaluation board liaison offi-  
17 cers. Successful completion of the training program is  
18 required before a person may assume the duties of a  
19 physical evaluation board liaison officer.”; and

20          (3) by adding at the end the following new para-  
21 graph:

22          “(3) In this subsection, the term ‘physical evaluation  
23 board liaison officer’ includes any person designated as, or  
24 assigned the duties of, an assistant to a physical evaluation  
25 board liaison officer.”.

1           (b) *EFFECTIVE DATE.*—*The limitation on the max-*  
2 *imum number of members of the Armed Forces who may*  
3 *be assigned to a physical evaluation board liaison officer*  
4 *shall take effect 180 days after the date of the enactment*  
5 *of this Act. The training program and curriculum for phys-*  
6 *ical evaluation board liaison officers shall be implemented*  
7 *not later than 180 days after the date of the enactment of*  
8 *this Act.*

9   **SEC. 1417. STANDARDIZED TRAINING PROGRAM AND CUR-**  
10                           **RICULUM FOR DEPARTMENT OF DEFENSE**  
11                           **DISABILITY EVALUATION SYSTEM.**

12           (a) *TRAINING PROGRAM REQUIRED.*—*Section 1216 of*  
13 *title 10, United States Code, is amended by adding at the*  
14 *end the following new subsection:*

15           “(e)(1) *The Secretary of Defense shall establish a*  
16 *standardized training program and curriculum for persons*  
17 *described in paragraph (2) who are involved in the dis-*  
18 *ability evaluation system. The training under the program*  
19 *shall be provided as soon as practicable in coordination*  
20 *with other training associated with the responsibilities of*  
21 *the person.*

22           “(2) *Persons covered by paragraph (1) include—*

23                   “(A) *Commanders.*

24                   “(B) *Enlisted members who perform supervisory*  
25           *functions.*

1           “(C) *Health care professionals.*

2           “(D) *Others persons with administrative, profes-*  
3           *sional, or technical responsibilities in the disability*  
4           *evaluation system.*

5           “(3) *In this subsection, the term ‘disability evaluation*  
6           *system’ means the Department of Defense system or process*  
7           *for evaluating the nature of and extent of disabilities affect-*  
8           *ing members of the armed forces (other than the Coast*  
9           *Guard) and comprised of medical evaluation boards, phys-*  
10           *ical evaluation boards, counseling of members, and final*  
11           *disposition by appropriate personnel authorities, as oper-*  
12           *ated by the Secretaries of the military departments, and,*  
13           *in the case of the Coast Guard, a similar system or process*  
14           *operated by the Secretary of Homeland Security.’”.*

15           (b) *EFFECTIVE DATE.—The standardized training*  
16           *program and curriculum required by subsection (e) of sec-*  
17           *tion 1216 of title 10, United States Code, as added by sub-*  
18           *section (a), shall be established not later than 180 days after*  
19           *the date of the enactment of this Act.*

1 **SEC. 1418. IMPROVED TRAINING FOR HEALTH CARE PRO-**  
2 **FESSIONALS, MEDICAL CARE CASE MAN-**  
3 **AGERS, AND SERVICE MEMBER ADVOCATES**  
4 **ON PARTICULAR CONDITIONS OF RECOV-**  
5 **ERING SERVICE MEMBERS.**

6 (a) *RECOMMENDATIONS.*—Not later than 90 days after  
7 the date of the enactment of this Act, the Secretary of De-  
8 fense shall submit to the appropriate congressional commit-  
9 tees a report setting forth recommendations for the improve-  
10 ment of the training provided to health care professionals,  
11 medical care case managers, and service member advocates  
12 who provide care for or assistance to recovering service  
13 members. The recommendations shall include, at a min-  
14 imum, specific recommendations to ensure that such health  
15 care professionals, medical care case managers, and service  
16 member advocates are adequately trained and able to detect  
17 early warning signs of post-traumatic stress disorder  
18 (PTSD), suicidal or homicidal thoughts or behaviors, and  
19 other behavioral health concerns among recovering service  
20 members and make prompt notification to the appropriate  
21 health care professionals.

22 (b) *ANNUAL REVIEW OF TRAINING.*—Not later than  
23 180 days after the date of the enactment of this Act and  
24 annually thereafter throughout the global war on terror, the  
25 Secretary shall submit to the appropriate congressional  
26 committees a report on the following:



1 *the Marine Corps. The pilot program shall be known*  
2 *as the Army Wounded Warrior Battalion.*

3 (2) *PURPOSE.*—*Under the pilot program, the*  
4 *Battalion shall track and assist members of the*  
5 *Armed Forces in an outpatient status who are still in*  
6 *need of medical treatment through—*

7 (A) *the course of their treatment;*

8 (B) *medical and physical evaluation*  
9 *boards;*

10 (C) *transition back to their parent units;*

11 *and*

12 (D) *medical retirement and subsequent*  
13 *transition into the Department of Veterans Af-*  
14 *airs medical system.*

15 (3) *ORGANIZATION.*—*The commanding officer of*  
16 *the Battalion shall be selected by the Army Chief of*  
17 *Staff and shall be a post-command, at O-5 or O-5*  
18 *select, with combat experience in Operation Iraqi*  
19 *Freedom or Operation Enduring Freedom. The chain-*  
20 *of-command shall be filled by previously wounded*  
21 *junior officers and non-commissioned officers when*  
22 *available and appropriate.*

23 (4) *FACILITIES.*—*The base selected for the pilot*  
24 *program shall provide adequate physical infrastruc-*  
25 *ture to house the Army Wounded Warrior Battalion.*

1     *Any funds necessary for construction or renovation of*  
2     *existing facilities shall be allocated from the Depart-*  
3     *ment of Defense Medical Support Fund established*  
4     *under this title.*

5             (5) *COORDINATION.*—*The Secretary of the Army*  
6     *shall consult with appropriate Marine Corps counter-*  
7     *parts to ensure coordination of best practices and les-*  
8     *sons learned.*

9             (6) *PERIOD OF PILOT PROGRAM.*—*The pilot pro-*  
10    *gram shall be in effect for a period of one year.*

11            (b) *REPORTING REQUIREMENT.*—*Not later than 90*  
12    *days after the end of the one-year period for the pilot*  
13    *project, the Secretary of the Army shall submit to Congress*  
14    *a report containing—*

15                (1) *an evaluation of the results of the pilot*  
16    *project;*

17                (2) *an assessment of the Army's ability to estab-*  
18    *lish Wounded Warrior Battalions at other major*  
19    *Army bases.*

20                (3) *recommendations regarding—*

21                    (A) *the adaptability of the Wounded War-*  
22    *rior Battalion concept for the Army's larger*  
23    *wounded population; and*

1                   (B) closer coordination and sharing of re-  
2                   sources with counterpart programs of the Marine  
3                   Corps.

4           (c) *EFFECTIVE DATE.*—The pilot program required by  
5 this section shall be implemented not later than 180 days  
6 after the date of the enactment of this Act.

7   **SEC. 1420. CRITERIA FOR REMOVAL OF MEMBER FROM TEM-**  
8                   **PORARY DISABILITY RETIRED LIST.**

9           (a) *CRITERIA.*—Section 1210(e) of title 10, United  
10 States Code, is amended by inserting “of a permanent na-  
11 ture and stable and is” after “physical disability is”.

12           (b) *EFFECTIVE DATE.*—The amendment made by sub-  
13 section (a) shall apply to any case received for consider-  
14 ation by a physical evaluation board after the date of the  
15 enactment of this Act.

16   **SEC. 1421. IMPROVED TRANSITION OF MEMBERS OF THE**  
17                   **ARMED FORCES TO DEPARTMENT OF VET-**  
18                   **ERANS AFFAIRS UPON RETIREMENT OR SEPA-**  
19                   **RATION.**

20           (a) *TRANSITION OF MEMBERS SEPARATED OR RE-*  
21 *TIRED.*—

22                   (1) *TRANSITION PROCESS.*—Chapter 58 of title  
23 10, United States Code, is amended by inserting after  
24 section 1142 the following new section:

1 **“§ 1142a. Process for transition of members to health**  
2 **care and physical disability systems of De-**  
3 **partment of Veterans Affairs**

4 “(a) *TRANSITION PLAN.*—(1) *The Secretary of Defense*  
5 *shall ensure that each member of the armed forces who is*  
6 *being separated or retired under chapter 61 of this title re-*  
7 *ceives a written transition plan that—*

8 “(A) *specifies the recommended schedule and*  
9 *milestones for the transition of the member from mili-*  
10 *tary service; and*

11 “(B) *provides for a coordinated transition of the*  
12 *member from the Department of Defense disability*  
13 *system to the Department of Veterans Affairs.*

14 “(2) *A member being separated or retired under chap-*  
15 *ter 61 of this title shall receive the transition plan before*  
16 *the separation or retirement date of the member.*

17 “(3) *The transition plan for a member under this sub-*  
18 *section shall include information and guidance designed to*  
19 *assist the member in understanding and meeting the sched-*  
20 *ule and milestones for the member’s transition.*

21 “(b) *FORMAL TRANSITION PROCESS.*—(1) *The Sec-*  
22 *retary of Defense, in cooperation with the Secretary of Vet-*  
23 *erans Affairs, shall establish a formal process for the trans-*  
24 *mittal to the Secretary of Veterans Affairs of the records*  
25 *and other information described in paragraph (2) as part*

1 *of the separation or retirement of a member of the armed*  
2 *forces under chapter 61 of this title.*

3       “(2) *The records and other information to be trans-*  
4 *mitted under paragraph (1) with respect to a member shall*  
5 *include, at a minimum, the following:*

6           “(A) *The member’s address and contact informa-*  
7 *tion.*

8           “(B) *The member’s DD–214 discharge form,*  
9 *which shall be transmitted electronically.*

10          “(C) *A copy of the member’s service record, in-*  
11 *cluding medical records and any results of a Physical*  
12 *Evaluation Board.*

13          “(D) *Whether the member is entitled to transi-*  
14 *tional health care, a conversion health policy, or other*  
15 *health benefits through the Department of Defense*  
16 *under section 1145 of this title.*

17          “(E) *Any requests by the member for assistance*  
18 *in enrolling in, or completed applications for enroll-*  
19 *ment in, the health care system of the Department of*  
20 *Veterans Affairs for health care benefits for which the*  
21 *member may be eligible under laws administered by*  
22 *the Secretary of Veterans Affairs.*

23          “(F) *Any requests by the member for assistance*  
24 *in applying for, or completed applications for, com-*  
25 *pen-sation and vocational rehabilitation benefits to*

1       *which the member may be entitled under laws admin-*  
2       *istered by the Secretary of Veterans Affairs, if the*  
3       *member is being medically separated or is being re-*  
4       *tired under chapter 61 of this title.*

5       “(3) *The transmittal of information under paragraph*  
6       *(1) may be subject to the consent of the member, as required*  
7       *by statute.*

8       “(4) *With the consent of the member, the member’s ad-*  
9       *dress and contact information shall also be submitted to the*  
10       *department or agency for veterans affairs of the State in*  
11       *which the member intends to reside after the separation or*  
12       *retirement of the member.*

13       “(c) *MEETING.—(1) The formal process required by*  
14       *subsection (b) for the transmittal of records and other infor-*  
15       *mation with respect to a member shall include a meeting*  
16       *between representatives of the Secretary concerned and the*  
17       *Secretary of Veterans Affairs, which shall take place at a*  
18       *location designated by the Secretaries. The member shall be*  
19       *informed of the meeting at least 30 days in advance of the*  
20       *meeting, except that the member may waive the notice re-*  
21       *quirement in order to accelerate transmission of the mem-*  
22       *ber’s records and other information to the Department of*  
23       *Veterans Affairs.*

1       “(2) *A member shall be given an opportunity to submit*  
 2 *a written statement for consideration by the Secretary of*  
 3 *Veterans Affairs.*

4       “(d) *TIME FOR TRANSMITTAL OF RECORDS.—The Sec-*  
 5 *retary concerned shall provide for the transmittal to the De-*  
 6 *partment of Veterans Affairs of records and other informa-*  
 7 *tion with respect to a member at the earliest practicable*  
 8 *date. In no case should the transmittal occur later than the*  
 9 *date of the separation or retirement of the member.*

10       “(e) *ARMED FORCES.—In this section, the term ‘armed*  
 11 *forces’ means the Army, Navy, Air Force, and Marine*  
 12 *Corps.’.*

13               (2) *TABLE OF SECTIONS.—The table of sections*  
 14 *at the beginning of such chapter is amended by in-*  
 15 *serting after the item relating to section 1142 the fol-*  
 16 *lowing new item:*

*“1142a. Process for transition of members to health care and physical disability systems of Department of Veterans Affairs.”.*

17       (b) *UNIFORM SEPARATION AND EVALUATION PHYS-*  
 18 *ICAL.—Section 1145 of such title is amended—*

19               (1) *by redesignating subsections (d) and (e) as*  
 20 *subsections (e) and (f), respectively; and*

21               (2) *by inserting after subsection (c) the following*  
 22 *new subsection:*

23       “(d) *UNIFORM SEPARATION AND EVALUATION PHYS-*  
 24 *ICAL.—The joint separation and evaluation physical, as de-*

1 *scribed in DD-2808 and DD-2697, shall be used by the*  
2 *Secretary of Defense in connection with the medical separa-*  
3 *tion or retirement of all members of the armed forces, in-*  
4 *cluding members separated or retired under chapter 61 of*  
5 *this title. The Secretary of Veterans Affairs shall adopt the*  
6 *same separation and evaluation physical for use by the De-*  
7 *partment of Veterans Affairs.”.*

8       (c) *INTEROPERABILITY OF CRITICAL MEDICAL INFOR-*  
9 *MATION AND BI-DIRECTIONAL ACCESS.—*

10           (1) *INTEROPERABILITY AND ACCESS IMPROVE-*  
11 *MENT.—The Secretary of Defense and Secretary of*  
12 *Veterans Affairs shall jointly establish and implement*  
13 *a process to ensure an interoperable, bi-directional,*  
14 *real-time exchange of critical medical information be-*  
15 *tween the Department of Defense and the Department*  
16 *of Veterans Affairs.*

17           (2) *CRITICAL MEDICAL INFORMATION DE-*  
18 *FINED.—In this subsection, the term “critical medical*  
19 *information” includes, at a minimum, outpatient*  
20 *notes, clinical notes, radiographs, laboratory data, in-*  
21 *formation regarding medications, operation notes,*  
22 *narrative summaries, and discharge summaries.*

23       (d) *CO-LOCATION OF VA BENEFIT TEAMS.—*

24           (1) *CO-LOCATION.—The Secretary of Defense and*  
25 *the Secretary of Veterans Affairs shall jointly deter-*

1        *mine the optimal locations for the deployment of De-*  
 2        *partment of Veterans Affairs benefits team to support*  
 3        *recovering service members assigned to military med-*  
 4        *ical treatment facilities, medical-related support fa-*  
 5        *cilities, and community-based health care organiza-*  
 6        *tions.*

7            (2) *MILITARY MEDICAL TREATMENT FACILITY*  
 8        *DEFINED.—In this subsection, the term “medical-re-*  
 9        *lated support facility” has the meaning given that*  
 10       *term in subsection (b) of section 492 of title 10,*  
 11       *United States Code, as added by section 1431(a).*

12       (e) *REPEAL OF SUPERSEDED CHAPTER 61 MEDICAL*  
 13       *RECORD TRANSMITTAL REQUIREMENT.—*

14            (1) *REPEAL.—Section 1142 of such title is*  
 15       *amended by striking subsection (c).*

16            (2) *SECTION HEADING.—The heading of such sec-*  
 17       *tion is amended to read as follows:*

18       **“§ 1142. Preseparation counseling”.**

19            (3) *TABLE OF SECTIONS.—The table of sections*  
 20       *at the beginning of chapter 58 of such title is amend-*  
 21       *ed by striking the item relating to section 1142 and*  
 22       *inserting the following new item:*

“1142. *Preseparation counseling.*”.

23            (f) *EFFECTIVE DATES.—Section 1142a of title 10,*  
 24       *United States Code, as added by subsection (a), and sub-*  
 25       *section (d) of section 1145 of such title, as added by sub-*

1 *section (b), shall apply with respect to members of the*  
2 *Armed Forces who are separated or retired from the Armed*  
3 *Forces on or after the first day of the eighth month begin-*  
4 *ning after the date of the enactment of this Act. The require-*  
5 *ments of subsections (c) and (d), and the amendments made*  
6 *by subsection (e), shall take effect on the first day of such*  
7 *eighth month.*

8 **SEC. 1422. ESTABLISHMENT OF MEDICAL SUPPORT FUND**  
9 **FOR SUPPORT OF MEMBERS OF THE ARMED**  
10 **FORCES RETURNING TO MILITARY SERVICE**  
11 **OR CIVILIAN LIFE.**

12 *(a) ESTABLISHMENT AND PURPOSE.—There is estab-*  
13 *lished on the books of the Treasury a fund to be known as*  
14 *the Department of Defense Medical Support Fund (herein-*  
15 *after in this section referred to as the “Fund”), which shall*  
16 *be administered by the Secretary of the Treasury.*

17 *(b) PURPOSES.—The Fund shall be used—*

18 *(1) to support programs and activities relating*  
19 *to the medical treatment, care, rehabilitation, recov-*  
20 *ery, and support of wounded and injured members of*  
21 *the Armed Forces and their return to military service*  
22 *or transition to civilian society; and*

23 *(2) to support programs and facilities intended*  
24 *to support the families of wounded and injured mem-*  
25 *bers of the Armed Forces.*

1       (c) *ASSETS OF FUND.*—*There shall be deposited into*  
2 *the Fund any amount appropriated to the Fund, which*  
3 *shall constitute the assets of the Fund.*

4       (d) *TRANSFER OF FUNDS.*—

5           (1) *AUTHORITY TO TRANSFER.*—*The Secretary of*  
6 *Defense may transfer amounts in the Fund to appro-*  
7 *priations accounts for military personnel; operation*  
8 *and maintenance; procurement; research, develop-*  
9 *ment, test, and evaluation; military construction; and*  
10 *the Defense Health Program. Amounts so transferred*  
11 *shall be merged with and available for the same pur-*  
12 *poses and for the same time period as the appropria-*  
13 *tion account to which transferred.*

14           (2) *ADDITION TO OTHER AUTHORITY.*—*The*  
15 *transfer authority provided in paragraph (1) is in*  
16 *addition to any other transfer authority available to*  
17 *the Department of Defense. Upon a determination*  
18 *that all or part of the amounts transferred from the*  
19 *Fund are not necessary for the purposes for which*  
20 *transferred, such amounts may be transferred back to*  
21 *the Fund.*

22           (3) *NOTIFICATION.*—*The Secretary of Defense*  
23 *shall, not fewer than five days before making a trans-*  
24 *fer from the Fund, notify the congressional defense*  
25 *committees in writing of the details of the transfer.*

1        *The Secretary shall provide an summary of transfers*  
2        *from the Fund during a fiscal year in the defense*  
3        *budget materials accompanying the budget for that*  
4        *fiscal year submitted by the President under section*  
5        *1105(a) of title 31, United States Code.*

6        *(e) WOUNDED WARRIOR REGIMENT PROGRAM.—The*  
7        *Secretary of Defense shall ensure that \$10,000,000 for fiscal*  
8        *year 2008 is transferred from the Medical Support Fund*  
9        *to support programs, activities, and facilities associated*  
10       *with the Marine Corps Wounded Warrior Regiment pro-*  
11       *gram, to be used as follows:*

12            *(1) \$6,550,000 for Case Management and Pa-*  
13            *tient Support.*

14            *(2) \$1,200,000 for Wounded Warrior Interim*  
15            *Regimental Headquarters Building conversion.*

16            *(3) \$1,300,000 for Case Management System De-*  
17            *velopment.*

18            *(4) \$95,000 for Support Equipment.*

19        *(f) FUNDING.—Of the amounts authorized to be appro-*  
20        *priated pursuant to section 421 for military personnel ac-*  
21        *counts, \$50,000,000 is authorized for the Department of De-*  
22        *fense Medical Support Fund. Such funds shall remain*  
23        *available through September 30, 2008.*

1 **SEC. 1423. OVERSIGHT BOARD FOR WOUNDED WARRIORS.**

2 (a) *ESTABLISHMENT.*—*There is hereby established a*  
3 *board to be known as the Oversight Board for Wounded*  
4 *Warriors (in this section referred to as the “Oversight*  
5 *Board”).*

6 (b) *COMPOSITION.*—*The Oversight Board shall be com-*  
7 *posed of 12 members, of whom—*

8 (1) *two shall be appointed by the majority leader*  
9 *of the Senate;*

10 (2) *two shall be appointed by the minority leader*  
11 *of the Senate;*

12 (3) *two shall be appointed by the Speaker of the*  
13 *House of Representatives;*

14 (4) *two shall be appointed by the minority leader*  
15 *of the House of Representatives;*

16 (5) *two shall be appointed by the Secretary of*  
17 *Veterans Affairs; and*

18 (6) *two shall be appointed by the Secretary of*  
19 *Defense.*

20 (c) *QUALIFICATIONS.*—*All members of the Oversight*  
21 *Board shall have sufficient knowledge of, or experience with,*  
22 *the military healthcare system, the disability evaluation*  
23 *system, or the experience of a recovering service member or*  
24 *family member of a recovering service member.*

25 (d) *APPOINTMENT.*—

1           (1) *TERM.*—*Each member of the Oversight*  
2 *Board shall be appointed for a term of three years.*  
3 *A member may be reappointed for one or more addi-*  
4 *tional terms.*

5           (2) *VACANCIES.*—*Any vacancy in the Oversight*  
6 *Board shall be filled in the same manner in which the*  
7 *original appointment was made.*

8           (e) *DUTIES.*—

9           (1) *ADVICE AND CONSULTATION.*—*The Oversight*  
10 *Board shall provide advice and consultation to the*  
11 *Secretary of Defense and the Committees on Armed*  
12 *Services of the Senate and the House of Representa-*  
13 *tives regarding—*

14                   (A) *the process for streamlining the dis-*  
15 *ability evaluation systems of the military de-*  
16 *partments;*

17                   (B) *the process for correcting and improv-*  
18 *ing the ratios of case managers and service mem-*  
19 *ber advocates to recovering service members;*

20                   (C) *the need to revise Department of De-*  
21 *fense policies to improve the experience of recov-*  
22 *ering service members while under Department*  
23 *of Defense care;*

24                   (D) *the need to revise Department of De-*  
25 *fense policies to improve counseling, outreach,*

1           *and general services provided to family members*  
2           *of recovering service members;*

3                   *(E) the need to revise Department of De-*  
4           *fense policies regarding the provision of quality*  
5           *lodging to recovering service members; and*

6                   *(F) such other matters relating to the eval-*  
7           *uation and care of recovering service members,*  
8           *including evaluation under disability evaluation*  
9           *systems, as the Board considers appropriate.*

10           (2) *VISITS TO MILITARY MEDICAL TREATMENT*  
11           *FACILITIES.—In carrying out its duties, each member*  
12           *of the Oversight Board shall visit not less than three*  
13           *military medical treatment facilities each year, and*  
14           *the Board shall conduct each year one meeting of all*  
15           *the members of the Board at a military medical treat-*  
16           *ment facility.*

17           *(f) STAFF.—The Secretary shall make available the*  
18           *services of at least two officials or employees of the Depart-*  
19           *ment of Defense to provide support and assistance to mem-*  
20           *bers of the Oversight Board.*

21           *(g) TRAVEL EXPENSES.—Members of the Oversight*  
22           *Board shall be allowed travel expenses, including per diem*  
23           *in lieu of subsistence, at rates authorized for employees of*  
24           *agencies under subchapter I of chapter 57 of title 5, United*  
25           *States Code, while away from their homes or regular places*

1 *of business in the performance of service for the Oversight*  
2 *Board.*

3 (h) *ANNUAL REPORTS.*—*The Oversight Board shall*  
4 *submit to the Secretary of Defense and the Committees on*  
5 *Armed Services of the Senate and the House of Representa-*  
6 *tives each year a report on its activities during the pre-*  
7 *ceding year, including any findings and recommendations*  
8 *of the Oversight Board as a result of such activities.*

9 **SEC. 1424. OPTION FOR MEMBERS OF RESERVE COMPO-**  
10 **NENTS TO USE MILITARY MEDICAL TREAT-**  
11 **MENT FACILITIES CLOSEST TO HOME FOR**  
12 **CERTAIN INJURIES.**

13 *The Secretary of Defense shall expand the opportuni-*  
14 *ties for recovering service members of the reserve compo-*  
15 *nents to receive treatment on an outpatient basis at a mili-*  
16 *tary medical treatment facility or other location designated*  
17 *by the Secretary closest to the member's home rather than*  
18 *closest to the base from which the member was deployed.*

19 **SEC. 1425. PLANS AND RESEARCH FOR REDUCING POST**  
20 **TRAUMATIC STRESS DISORDER.**

21 (a) *PLANS FOR REDUCING POST TRAUMATIC STRESS*  
22 *DISORDER.*—

23 (1) *PLAN FOR PREVENTION.*—

24 (A) *IN GENERAL.*—*The Secretary of Defense*  
25 *shall develop a plan to incorporate evidence-*

1           *based preventive and early-intervention meas-*  
2           *ures, practices, or procedures that reduce the*  
3           *likelihood that personnel in combat will develop*  
4           *post-traumatic stress disorder or other stress-re-*  
5           *lated psychopathologies (including substance use*  
6           *conditions) into—*

7                     *(i) basic and pre-deployment training*  
8                     *for enlisted members of the Armed Forces,*  
9                     *noncommissioned officers, and officers;*

10                    *(ii) combat theater operations; and*

11                    *(iii) post-deployment service.*

12            *(B) UPDATES.—The Secretary of Defense*  
13            *shall update the plan under subparagraph (A)*  
14            *periodically to incorporate, as the Secretary con-*  
15            *siders appropriate, the results of relevant re-*  
16            *search, including research conducted pursuant to*  
17            *subsection (b).*

18            *(2) RESEARCH.—Subject to subsection (b), the*  
19            *Secretary of Defense shall develop a plan, in consulta-*  
20            *tion with the Department of Veterans Affairs, the Na-*  
21            *tional Institutes of Health, and the National Acad-*  
22            *emy of Sciences, to conduct such research as is nec-*  
23            *essary to develop the plan described in paragraph (1).*

24            *(b) EVIDENCE-BASED RESEARCH AND TRAINING.—*

1           (1) *WORKING GROUP.*—*The Secretary of Defense*  
2           *shall conduct a study, in coordination with the De-*  
3           *partment of Veterans Affairs, the National Institutes*  
4           *of Health, and the National Academy of Sciences' In-*  
5           *stitute of Medicine, to determine the feasibility of es-*  
6           *tablishing a working group tasked with researching*  
7           *and developing evidence-based measures, practices, or*  
8           *procedures that reduce the likelihood that personnel in*  
9           *combat will develop post-traumatic stress disorder or*  
10          *other stress-related psychological pathologies (includ-*  
11          *ing substance use conditions). The working group*  
12          *shall include personnel with experience in a combat*  
13          *theater, and behavioral health personnel who have ex-*  
14          *perience providing treatment to individuals with ex-*  
15          *perience in a combat theater.*

16          (2) *PEER-REVIEWED RESEARCH PROGRAM.*—*Not*  
17          *later than 180 days after the date of the enactment*  
18          *of this Act, the Secretary of Defense shall submit to*  
19          *Congress a plan for a peer-reviewed research program*  
20          *within the Defense Health Program's research and de-*  
21          *velopment function to research and develop evidence-*  
22          *based preventive and early intervention measures,*  
23          *practices, or procedures that reduce the likelihood that*  
24          *personnel in combat will develop post-traumatic stress*

1        *disorder or other stress-related psychopathologies (in-*  
2        *cluding substance use conditions).*

3        *(c) REPORT.—The Secretary of Defense shall submit*  
4        *to Congress a report on the plans and studies required*  
5        *under this section.*

## 6        ***Subtitle B—Studies and Reports***

### 7        ***SEC. 1431. ANNUAL REPORT ON MILITARY MEDICAL FACILI-*** 8        ***TIES.***

9        *(a) IN GENERAL.—*

10            *(1) REPORT REQUIREMENT.—Chapter 23 of title*  
11            *10, United States Code, as amended by this Act, is*  
12            *further amended by adding at the end the following*  
13            *new section:*

#### 14        ***“§ 492. Annual report on military medical facilities***

15            *“(a) ANNUAL REPORT.—Not later than the date on*  
16            *which the President submits the budget for a fiscal year*  
17            *to Congress pursuant to section 1105 of title 31, the Sec-*  
18            *retary of Defense shall submit to the Committees on Armed*  
19            *Services of the Senate and the House of Representatives a*  
20            *report on the adequacy, suitability, and quality of medical*  
21            *facilities and medical-related support facilities at each*  
22            *military installation within the Department of Defense.*

23            *“(b) RESPONSE TO HOT-LINE INFORMATION.—The*  
24            *Secretary of Defense shall include in each report informa-*  
25            *tion regarding—*

1           “(1) any deficiencies in the adequacy, quality, or  
2           state of repair of medical-related support facilities  
3           raised as a result of information received during the  
4           period covered by the report through the toll-free hot  
5           line maintained pursuant to section 1567 of this title;  
6           and

7           “(2) the investigations conducted and plans of  
8           action prepared under such section to respond to such  
9           deficiencies.

10          “(c) *MEDICAL-RELATED SUPPORT FACILITY*.—In this  
11          section, the term ‘medical-related support facility’ is any  
12          facility of the Department of Defense that provides support  
13          to any of the following:

14                 “(1) Members of the armed forces admitted for  
15                 treatment to military medical treatment facilities.

16                 “(2) Members of the armed forces assigned to  
17                 military medical treatment facilities as an out-  
18                 patient.

19                 “(3) Family members accompanying any mem-  
20                 ber described in paragraph (1) or (2) as a nonmed-  
21                 ical attendant.”.

22                 (2) *CLERICAL AMENDMENT*.—The table of sec-  
23                 tions at the beginning of such chapter is amended by  
24                 adding at the end the following new item:

“492. Annual report on military medical facilities.”.

1       (b) *EFFECTIVE DATE.*—*The first report under section*  
2 *492 of title 10, United States Code, as added by subsection*  
3 *(a), shall be submitted not later than the date of submission*  
4 *of the budget for fiscal year 2009.*

5 **SEC. 1432. ACCESS OF RECOVERING SERVICE MEMBERS TO**  
6                   **ADEQUATE OUTPATIENT RESIDENTIAL FA-**  
7                   **CILITIES.**

8       (a) *REQUIRED INSPECTIONS OF FACILITIES.*—*All*  
9 *quarters of the United States and housing facilities under*  
10 *the jurisdiction of the Armed Forces that are occupied by*  
11 *recovering service members shall be inspected on a semi-*  
12 *annual basis for the first two years after the enactment of*  
13 *this Act and annually thereafter by the inspectors general*  
14 *of the regional medical commands.*

15       (b) *INSPECTOR GENERAL REPORTS.*—*The inspector*  
16 *general for each regional medical command shall—*

17               (1) *submit a report on each inspection of a facil-*  
18 *ity conducted under subsection (a) to the post com-*  
19 *mander at such facility, the commanding officer of*  
20 *the hospital affiliated with such facility, the surgeon*  
21 *general of the military department that operates such*  
22 *hospital, the Secretary of the military department*  
23 *concerned, the Assistant Secretary of Defense for*  
24 *Health Affairs, the Oversight Board for Wounded*

1        *Warriors established pursuant to section 1423, and*  
2        *the appropriate congressional committees; and*

3                *(2) post each such report on the Internet website*  
4        *of such regional medical command.*

5        **SEC. 1433. EVALUATION AND REPORT ON DEPARTMENT OF**  
6                        **DEFENSE AND DEPARTMENT OF VETERANS**  
7                        **AFFAIRS DISABILITY EVALUATION SYSTEMS.**

8                *(a) EVALUATION.—The Secretary of Defense and the*  
9        *Secretary of Veterans Affairs shall conduct a joint evalua-*  
10        *tion of the disability evaluation systems used by the Depart-*  
11        *ment of Defense and the Department of Veterans Affairs for*  
12        *the purpose of—*

13                *(1) improving the consistency of the two dis-*  
14        *ability evaluation systems; and*

15                *(2) evaluating the feasibility of, and potential*  
16        *options for, consolidating the two systems.*

17                *(b) RELATION TO VETERANS' DISABILITY BENEFITS*  
18        *COMMISSION.—In conducting the evaluation of the dis-*  
19        *ability evaluation systems used by the Department of De-*  
20        *fense and the Department of Veterans Affairs, the Secretary*  
21        *of Defense and the Secretary of Veterans Affairs shall con-*  
22        *sider the findings and recommendations of the Veterans'*  
23        *Disability Benefits Commission established pursuant to*  
24        *title XV of the National Defense Authorization Act for Fis-*  
25        *cal Year 2004 (Public Law 108–136; 38 U.S.C. 1101 note).*

1       (c) *REPORT.*—Not later than 180 days after the date  
2 of the submission of the final report of the Veterans' Dis-  
3 ability Benefits Commission, the Secretary of Defense and  
4 the Secretary of Veterans Affairs shall submit to Congress  
5 a report containing—

6           (1) *the results of the evaluation; and*

7           (2) *the recommendations of the Secretaries for*  
8 *improving the consistency of the two disability eval-*  
9 *uation systems and such other recommendations as*  
10 *the Secretaries consider appropriate.*

11 **SEC. 1434. STUDY AND REPORT ON SUPPORT SERVICES FOR**

12                   **FAMILIES OF RECOVERING SERVICE MEM-**

13                   **BERS.**

14       (a) *STUDY REQUIRED.*—The Secretary of Defense shall  
15 conduct a study of the provision of support services for fam-  
16 ilies of recovering service members.

17       (b) *MATTERS COVERED.*—The study under subsection  
18 (a) shall include the following:

19           (1) *A determination of the types of support serv-*  
20 *ices that are currently provided by the Department of*  
21 *Defense to family members described in subsection (c),*  
22 *and the cost of providing such services.*

23           (2) *A determination of additional types of sup-*  
24 *port services that would be feasible for the Depart-*  
25 *ment to provide to such family members, and the*

1 *costs of providing such services, including the fol-*  
2 *lowing types of services:*

3 *(A) The provision of medical care at mili-*  
4 *tary medical treatment facilities.*

5 *(B) The provision of job placement services*  
6 *offered by the Department of Defense to any fam-*  
7 *ily member caring for a recovering service mem-*  
8 *ber for more than 45 days during a one-year pe-*  
9 *riod.*

10 *(C) The provision of meals without charge*  
11 *at military medical treatment facilities.*

12 *(3) A survey of military medical treatment fa-*  
13 *cilities to estimate the number of family members to*  
14 *whom the support services would be provided.*

15 *(4) A determination of any discrimination in*  
16 *employment that such family members experience, in-*  
17 *cluding denial of retention in employment, pro-*  
18 *motion, or any benefit of employment by an employer*  
19 *on the basis of the person's absence from employment*  
20 *as described in subsection (c), and a determination,*  
21 *in consultation with the Secretary of Labor, of the op-*  
22 *tions available for such family members.*

23 *(c) COVERED FAMILY MEMBERS.—A family member*  
24 *described in this subsection is a family member of a recov-*  
25 *ering service member who is—*



1           (b) *FINAL REPORT.*—Not later than 180 days after the  
2 date of the enactment of this Act, the Secretary of Defense  
3 shall submit to the Committees on Armed Services of the  
4 Senate and the House of Representatives a final report con-  
5 cerning traumatic brain injury classifications and an ex-  
6 planation and justification of the Department’s use of the  
7 international classification of disease (ICD) 9 designation,  
8 recommendations for transitioning to ICD 10 or 11, and  
9 the benefits the civilian community experiences from using  
10 ICD 10.

11 **SEC. 1436. EVALUATION OF THE POLYTRAUMA LIAISON OF-**  
12                           **FICER/NON-COMMISSIONED OFFICER PRO-**  
13                           **GRAM.**

14           (a) *EVALUATION REQUIRED.*—The Secretary of De-  
15 fense shall conduct an evaluation of the Polytrauma Liai-  
16 son Officer/Non-Commissioned Officer program, which is  
17 the program operated by each of the military departments  
18 and the Department of Veterans Affairs for the purpose of—

19                   (1) assisting in the seamless transition of mem-  
20 bers of the Armed Forces from the Department of De-  
21 fense health care system to the Department of Vet-  
22 erans Affairs system; and

23                   (2) expediting the flow of information and com-  
24 munication between military treatment facilities and  
25 the Veterans Affairs Polytrauma Centers.

1       (b) *MATTERS COVERED.*—*The evaluation of the*  
2 *Polytrauma Liaison Officer/Non-Commissioned Officer pro-*  
3 *gram shall include evaluating the following areas:*

4           (1) *The program’s effectiveness in the following*  
5 *areas:*

6                   (A) *Handling of military patient transfers.*

7                   (B) *Ability to access military records in a*  
8 *timely manner.*

9                   (C) *Collaboration with Polytrauma Center*  
10 *treatment teams.*

11                   (D) *Collaboration with Veteran Service Or-*  
12 *ganizations.*

13                   (E) *Functioning as the Polytrauma Cen-*  
14 *ter’s subject-matter expert on military issues.*

15                   (F) *Supporting and assisting family mem-*  
16 *bers.*

17                   (G) *Providing education, information, and*  
18 *referrals to members of the Armed Forces and*  
19 *their family members.*

20                   (H) *Functioning as uniformed advocates for*  
21 *members of the Armed Forces and their family*  
22 *members.*

23                   (I) *Inclusion in Polytrauma Center meet-*  
24 *ings.*

1           *(J) Completion of required administrative*  
2           *reporting.*

3           *(K) Ability to provide necessary adminis-*  
4           *trative support to all members of the Armed*  
5           *Forces.*

6           *(2) Manpower requirements to effectively carry*  
7           *out all required functions of the Polytrauma Liaison*  
8           *Officer/Non-Commissioned Officer program given cur-*  
9           *rent and expected case loads.*

10          *(3) Expansion of the program to incorporate*  
11          *Navy and Marine Corps officers and senior enlisted*  
12          *personnel.*

13          *(c) REPORTING REQUIREMENT.—Not later than 90*  
14          *days after the date of the enactment of this Act, the Sec-*  
15          *retary of Defense shall submit to Congress a report con-*  
16          *taining—*

17                 *(1) the results of the evaluation; and*

18                 *(2) recommendations for any improvements in*  
19                 *the program.*

20          **SEC. 1437. STUDY AND REPORT ON STANDARD SOLDIER PA-**  
21                                 **TIENT TRACKING SYSTEM.**

22          *(a) STUDY REQUIRED.—The Secretary of Defense shall*  
23          *conduct a study on the feasibility of developing a joint sol-*  
24          *dier tracking system for recovering service members.*

1           (b) *MATTERS COVERED.*—*The study under subsection*  
2 *(a) shall include the following:*

3           (1) *Review of the feasibility of allowing each re-*  
4 *covering service member, each family member of such*  
5 *a member, each commander of a military installation*  
6 *retaining medical holdover patients, each patient*  
7 *navigator, and ombudsman office personnel, at all*  
8 *times, to be able to locate and understand exactly*  
9 *where a recovering service member is in the medical*  
10 *holdover process.*

11           (2) *A determination of whether the tracking sys-*  
12 *tem can be designed to ensure that—*

13           (A) *the commander of each military med-*  
14 *ical facility where recovering service members*  
15 *are located is able to track appointments of such*  
16 *members to ensure they are meeting timeliness*  
17 *and other standards that serve the member; and*

18           (B) *each recovering service member is able*  
19 *to know when his appointments and other med-*  
20 *ical evaluation board or physical evaluation*  
21 *board deadlines will be and that they have been*  
22 *scheduled in a timely and accurate manner.*

23           (3) *Any other information needed to conduct*  
24 *oversight of care of the member through out the med-*  
25 *ical holdover process.*

1       (c) *REPORT.*—Not later than 180 days after the date  
2 of the enactment of this Act, the Secretary of Defense shall  
3 submit to the Committees on Armed Services of the Senate  
4 and the House of Representatives a report on the results  
5 of the study, with such findings and recommendations as  
6 the Secretary considers appropriate.

7 **SEC. 1438. STUDY AND REPORT ON WAITING PERIODS FOR**  
8                   **APPOINTMENTS AT DEPARTMENT OF VET-**  
9                   **ERANS AFFAIRS MEDICAL FACILITIES.**

10       (a) *STUDY REQUIRED.*—The Secretary of Veterans Af-  
11 fairs shall conduct a study on the average length of time  
12 between the desired date for which a veteran seeks to sched-  
13 ule an appointment for health care at a Department of Vet-  
14 erans Affairs medical facility and the date on which such  
15 appointment is completed.

16       (b) *FOCUS OF STUDY.*—In conducting the study under  
17 subsection (a), the Secretary shall focus on appointments  
18 scheduled and completed at Department medical facilities  
19 located in both rural and urban areas.

20       (c) *REPORT.*—Not later than 180 days after the date  
21 of the enactment of this Act, the Secretary shall submit a  
22 report to Congress containing the findings of the study  
23 under subsection (a) and recommendations for decreasing  
24 the waiting time between the desired date of an appoint-

1 *ment and the completion of the appointment to a maximum*  
2 *of 15 days.*

### 3 ***Subtitle C—General Provisions***

#### 4 ***SEC. 1451. MORATORIUM ON CONVERSION TO CONTRACTOR*** 5 ***PERFORMANCE OF DEPARTMENT OF DE-*** 6 ***FENSE FUNCTIONS AT MILITARY MEDICAL FA-*** 7 ***CILITIES.***

8 *(a) FINDINGS.—Congress finds the following:*

9 *(1) The conduct of public-private competitions*  
10 *for the performance of Department of Defense func-*  
11 *tions, based on Office of Management and Budget*  
12 *Circular A–76, can lead to dramatic reductions in the*  
13 *workforce, undermining an agency’s ability to per-*  
14 *form its mission.*

15 *(2) The Army Garrison commander at the Wal-*  
16 *ter Reed Army Medical Center has stated that the ex-*  
17 *tended A–76 competition process contributed to the*  
18 *departure of highly skilled administrative and main-*  
19 *tenance personnel, which led to the problems at the*  
20 *Walter Reed Army Medical Center.*

21 *(b) MORATORIUM.—During the one-year period begin-*  
22 *ning on the date of the enactment of this Act, no study or*  
23 *competition may be begun or announced pursuant to sec-*  
24 *tion 2461 of title 10, United States Code, or otherwise pur-*  
25 *suant to Office of Management and Budget Circular A–76*

1 *relating to the possible conversion to performance by a con-*  
2 *tractor of any Department of Defense function carried out*  
3 *at a military medical facility .*

4 *(c) REPORT REQUIRED.—Not later than 180 days*  
5 *after the date of the enactment of this Act, the Secretary*  
6 *of Defense shall submit to the Committee on Armed Services*  
7 *of the Senate and the Committee on Armed Services of the*  
8 *House of Representatives a report on the public-private*  
9 *competitions being conducted for Department of Defense*  
10 *functions carried out at military medical facilities as of*  
11 *the date of the enactment of this Act by each military de-*  
12 *partment and defense agency. Such report shall include—*

13 *(1) for each such competition—*

14 *(A) the cost of conducting the public-private*  
15 *competition;*

16 *(B) the number of military personnel and*  
17 *civilian employees of the Department of Defense*  
18 *affected;*

19 *(C) the estimated savings identified and the*  
20 *savings actually achieved;*

21 *(D) an evaluation whether the anticipated*  
22 *and budgeted savings can be achieved through a*  
23 *public-private competition; and*

1           (E) the effect of converting the performance  
2           of the function to performance by a contractor on  
3           the quality of the performance of the function;

4           (2) a description of any public-private competi-  
5           tion the Secretary would conduct if the moratorium  
6           under subsection (b) were not in effect; and

7           (3) an assessment of whether any method of busi-  
8           ness reform or reengineering other than a public-pri-  
9           vate competition could, if implemented in the future,  
10          achieve any anticipated or budgeted savings.

11 **SEC. 1452. PROHIBITION ON TRANSFER OF RESOURCES**  
12                                   **FROM MEDICAL CARE.**

13          Neither the Secretary of Defense nor the Secretaries of  
14          the military departments may transfer funds or personnel  
15          from medical care functions to administrative functions  
16          within the Department of Defense in order to comply with  
17          the new administrative requirements imposed by this title  
18          or the amendments made by this title.

19 **SEC. 1453. INCREASE IN PHYSICIANS AT HOSPITALS OF THE**  
20                                   **DEPARTMENT OF VETERANS AFFAIRS.**

21          The Secretary of Veterans Affairs shall increase the  
22          number of resident physicians at hospitals of the Depart-  
23          ment of Veterans Affairs.

1 **TITLE XV—AUTHORIZATION OF**  
2 **ADDITIONAL APPROPRIA-**  
3 **TIONS FOR OPERATION IRAQI**  
4 **FREEDOM AND OPERATION**  
5 **ENDURING FREEDOM**

*Sec. 1501. Purpose and statement of congressional policy.*

*Sec. 1502. Army procurement.*

*Sec. 1503. Navy and Marine Corps procurement.*

*Sec. 1504. Air Force procurement.*

*Sec. 1505. Joint Improvised Explosive Device Defeat Fund.*

*Sec. 1506. Defense-wide activities procurement.*

*Sec. 1507. Research, development, test, and evaluation.*

*Sec. 1508. Operation and maintenance.*

*Sec. 1509. Working capital funds.*

*Sec. 1510. Other Department of Defense programs.*

*Sec. 1511. Iraq Freedom Fund.*

*Sec. 1512. Iraq Security Forces Fund.*

*Sec. 1513. Afghanistan Security Forces Fund.*

*Sec. 1514. Military personnel.*

*Sec. 1515. Authorized Army construction and land acquisition projects.*

*Sec. 1516. Authorized Navy construction and land acquisition projects.*

*Sec. 1517. Treatment as additional authorizations.*

6 **SEC. 1501. PURPOSE AND STATEMENT OF CONGRESSIONAL**  
7 **POLICY.**

8 (a) *PURPOSE.*—*The purpose of this title is to authorize*  
9 *appropriations for the Department of Defense for fiscal year*  
10 *2008 to provide additional funds for Operation Iraqi Free-*  
11 *dom and Operation Enduring Freedom.*

12 (b) *POLICY.*—*Congress has provided members of the*  
13 *Armed Forces deployed outside of the United States, and*  
14 *the families of such members, with ongoing funds for their*  
15 *protection and operations and will continue to support*  
16 *their service and valor on behalf of the United States.*

1 **SEC. 1502. ARMY PROCUREMENT.**

2 *Funds are hereby authorized to be appropriated for fis-*  
3 *cal year 2008 for procurement accounts of the Army in*  
4 *amounts as follows:*

5 (1) *For aircraft procurement, \$1,677,706,000.*

6 (2) *For ammunition procurement, \$313,000,000.*

7 (3) *For weapons and tracked combat vehicles*  
8 *procurement, \$4,780,172,000.*

9 (4) *For missile procurement, \$295,626,000.*

10 (5) *For other procurement, \$11,123,699,000.*

11 **SEC. 1503. NAVY AND MARINE CORPS PROCUREMENT.**

12 (a) *NAVY.—Funds are hereby authorized to be appro-*  
13 *priated for fiscal year 2008 for procurement accounts for*  
14 *the Navy in amounts as follows:*

15 (1) *For aircraft procurement, \$2,917,958,000*

16 (2) *For weapons procurement, \$251,281,000*

17 (3) *For other procurement, \$727,580,000.*

18 (b) *MARINE CORPS.—Funds are hereby authorized to*  
19 *be appropriated for fiscal year 2008 for the procurement*  
20 *account for the Marine Corps in the amount of*  
21 *\$3,863,267,000.*

22 (c) *NAVY AND MARINE CORPS AMMUNITION.—Funds*  
23 *are hereby authorized to be appropriated for fiscal year*  
24 *2008 for the procurement account for ammunition for the*  
25 *Navy and the Marine Corps in the amount of \$590,090,000.*

1 **SEC. 1504. AIR FORCE PROCUREMENT.**

2 *Funds are hereby authorized to be appropriated for fis-*  
3 *cal year 2008 for procurement accounts for the Air Force*  
4 *in amounts as follows:*

5 (1) *For aircraft procurement, \$5,189,709,000.*

6 (2) *For ammunition procurement, \$74,005,000.*

7 (3) *For missile procurement, \$1,800,000.*

8 (4) *For other procurement, \$3,926,810,000.*

9 **SEC. 1505. JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT**  
10 **FUND.**

11 (a) *AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
12 *hereby authorized for fiscal year 2008 for the Joint Impro-*  
13 *vised Explosive Device Defeat Fund in the amount of*  
14 *\$4,000,000,000.*

15 (b) *USE AND TRANSFER OF FUNDS.—Subsections (b)*  
16 *and (c) of section 1514 of the John Warner National De-*  
17 *fense Authorization Act for Fiscal Year 2007 (Public Law*  
18 *109–364; 120 Stat. 2439) shall apply to the funds appro-*  
19 *riated pursuant to the authorization of appropriations in*  
20 *subsection (a).*

21 (c) *REVISION OF MANAGEMENT PLAN.—The Secretary*  
22 *of Defense shall revise the management plan required by*  
23 *section 1514(d) of the John Warner National Defense Au-*  
24 *thorization Act for Fiscal Year 2007 to identify projected*  
25 *transfers and obligations through September 30, 2008.*

1           (d) *DURATION OF AUTHORITY.*—Section 1514(f) of the  
2 *John Warner National Defense Authorization Act for Fiscal*  
3 *Year 2007 is amended by striking “September 30, 2009”*  
4 *and inserting “September 30, 2010”.*

5 **SEC. 1506. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

6           *Funds are hereby authorized to be appropriated for fis-*  
7 *cal year 2008 for the procurement account for Defense-wide*  
8 *in the amount of \$594,768,000.*

9 **SEC. 1507. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**  
10 **TION.**

11           *Funds are hereby authorized to be appropriated for fis-*  
12 *cal year 2008 for the use of the Department of Defense for*  
13 *research, development, test, and evaluation as follows:*

14                   (1) *For the Army, \$91,278,000.*

15                   (2) *For the Navy, \$516,303,000.*

16                   (3) *For the Air Force, \$816,041,000.*

17                   (4) *For Defense-wide activities, \$727,498,000*

18 **SEC. 1508. OPERATION AND MAINTENANCE.**

19           *Funds are hereby authorized to be appropriated for fis-*  
20 *cal year 2008 for the use of the Armed Forces for expenses,*  
21 *not otherwise provided for, for operation and maintenance,*  
22 *in amounts as follows:*

23                   (1) *For the Army, \$45,350,964,000*

24                   (2) *For the Navy, \$5,426,407,000.*

25                   (3) *For the Marine Corps, \$4,013,093,000.*

1           (4) *For the Air Force, \$10,536,330,000.*

2           (5) *For Defense-wide activities, \$6,098,990,000.*

3           (6) *For the Army Reserve , \$158,410,000.*

4           (7) *For the Navy Reserve, \$69,598,000.*

5           (8) *For the Marine Corps Reserve, \$68,000,000.*

6           (9) *For the Army National Guard, \$466,150,000.*

7           (10) *For the Air National Guard, \$31,168,000.*

8   **SEC. 1509. WORKING CAPITAL FUNDS.**

9           *Funds are hereby authorized to be appropriated for fis-*  
10 *cal year 2008 for the use of the Armed Forces and other*  
11 *activities and agencies of the Department of Defense for*  
12 *providing capital for working capital and revolving funds*  
13 *in amounts as follows:*

14           (1) *For the Defense Working Capital Funds,*  
15           *\$1,676,275,000.*

16           (2) *For the National Defense Sealift Fund,*  
17           *\$5,100,000.*

18   **SEC. 1510. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

19           (a) *DEFENSE HEALTH PROGRAM.—Funds are hereby*  
20 *authorized to be appropriated for the Department of Defense*  
21 *for fiscal year 2008 for expenses, not otherwise provided for,*  
22 *for the Defense Health Program in the amount of*  
23 *\$1,022,842,000 for operation and maintenance.*

24           (b) *DRUG INTERDICTION AND COUNTER-DRUG ACTIVI-*  
25 *TIES, DEFENSE-WIDE.—Funds are hereby authorized to be*

1 *appropriated for the Department of Defense for fiscal year*  
2 *2008 for expenses, not otherwise provided for, for Drug*  
3 *Interdiction and Counter-Drug Activities, Defense-wide in*  
4 *the amount of \$257,618,000.*

5 *(c) DEFENSE INSPECTOR GENERAL.—Funds are here-*  
6 *by authorized to be appropriated for the Department of De-*  
7 *fense for fiscal year 2008 for expenses, not otherwise pro-*  
8 *vided for, for the Office of the Inspector General of the De-*  
9 *partment of Defense in the amount of \$4,394,000 for oper-*  
10 *ation and maintenance.*

11 **SEC. 1511. IRAQ FREEDOM FUND.**

12 *Funds are hereby authorized to be appropriated for fis-*  
13 *cal year 2008 for the Iraq Freedom Fund in the amount*  
14 *of \$107,500,000.*

15 **SEC. 1512. IRAQ SECURITY FORCES FUND.**

16 *(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
17 *hereby authorized to be appropriated for fiscal year 2008*  
18 *for the Iraq Security Forces Fund in the amount of*  
19 *\$2,000,000,000.*

20 *(b) USE, TRANSFER, AND OTHER REQUIREMENTS RE-*  
21 *GARDING FUNDS.—Subsections (b), (c) and (d) of section*  
22 *1516 of the John Warner National Defense Authorization*  
23 *Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat.*  
24 *2441) shall apply to the funds appropriated pursuant to*  
25 *the authorization of appropriations in subsection (a).*

1           (c) *DURATION OF AUTHORITY.*—Section 1516(g) of the  
2 *John Warner National Defense Authorization Act for Fiscal*  
3 *Year 2007 is amended by striking “September 30, 2008”*  
4 *and inserting “September 30, 2009”.*

5 **SEC. 1513. AFGHANISTAN SECURITY FORCES FUND.**

6           (a) *AUTHORIZATION OF APPROPRIATIONS.*—Funds are  
7 hereby authorized to be appropriated for fiscal year 2008  
8 for the *Afghanistan Security Forces Fund* in the amount  
9 of \$2,700,000,000.

10          (b) *USE, TRANSFER, AND OTHER REQUIREMENTS RE-*  
11 *GARDING FUNDS.*—Subsections (b), (c) and (d) of section  
12 1517 of the *John Warner National Defense Authorization*  
13 *Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat.*  
14 *2442)* shall apply to the funds appropriated pursuant to  
15 the authorization of appropriations in subsection (a).

16          (c) *DURATION OF AUTHORITY.*—Section 1517(g) of the  
17 *John Warner National Defense Authorization Act for Fiscal*  
18 *Year 2007 is amended by striking “September 30, 2008”*  
19 *and inserting “September 30, 2009”.*

20 **SEC. 1514. MILITARY PERSONNEL.**

21           There is hereby authorized to be appropriated to the  
22 *Department of Defense* for military personnel accounts for  
23 *fiscal year 2008* a total of \$17,471,763,000.

1 **SEC. 1515. AUTHORIZED ARMY CONSTRUCTION AND LAND**  
 2 **ACQUISITION PROJECTS.**

3 (a) *AUTHORIZED PROJECTS.*—Using amounts appro-  
 4 priated pursuant to the authorization of appropriations in  
 5 subsection (b) the Secretary of the Army may acquire real  
 6 property and carry out military construction projects for  
 7 the installations or locations outside the United States, and  
 8 in the amounts, set forth in the following table:

**Army: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Afghanistan</i> .....	<i>Bagram Air Base</i> .....	\$103,000,000
<i>Iraq</i> .....	<i>Camp Adder</i> .....	\$31,850,000
	<i>Al Asad</i> .....	\$46,100,000
	<i>Camp Anaconda</i> .....	\$49,200,000
	<i>Falujah</i> .....	\$880,000
	<i>Camp Marez</i> .....	\$880,000
	<i>Mosul</i> .....	\$43,000,000
	<i>Camp Ramadi</i> .....	\$880,000
	<i>Scania</i> .....	\$5,000,000
	<i>Camp Speicher</i> .....	\$54,900,000
	<i>Camp Taqqadum</i> .....	\$880,000
	<i>Tikrit</i> .....	\$43,000,000
	<i>Camp Victory</i> .....	\$24,600,000
	<i>Camp Warrior</i> .....	\$880,000
	<i>Various Locations</i> .....	\$102,000,000

9 (b) *AUTHORIZATION OF APPROPRIATIONS.*—Funds are  
 10 hereby authorized to be appropriated for fiscal years begin-  
 11 ning after September 30, 2007, for military construction,  
 12 land acquisition, and military family housing functions of  
 13 the Department of the Army in the total amount of  
 14 \$526,450,000 as follows:

15 (1) *For military construction projects outside the*  
 16 *United States authorized by subsection (a),*  
 17 *\$507,050,000.*

1           (2) *For architectural and engineering services*  
 2           *and construction design under section 2807 of title*  
 3           *10, United States Code, \$19,400,000.*

4 **SEC. 1516. AUTHORIZED NAVY CONSTRUCTION AND LAND**  
 5           **ACQUISITION PROJECTS.**

6           (a) *AUTHORIZED PROJECTS.*—*Using amounts appro-*  
 7           *priated pursuant to the authorization of appropriations in*  
 8           *subsection (b), the Secretary of the Navy may acquire real*  
 9           *property and carry out military construction projects for*  
 10          *the installations or locations inside the United States, and*  
 11          *in the amounts, set forth in the following table:*

***Navy: Inside the United States***

<b><i>State</i></b>	<b><i>Installation or Location</i></b>	<b><i>Amount</i></b>
<i>California</i> .....	<i>Camp Pendleton</i> .....	<i>\$102,034,000</i>
	<i>Twenty-Nine Palms</i> .....	<i>\$4,440,000</i>
<i>North Carolina</i>	<i>Camp Lejeune</i> .....	<i>\$43,310,000</i>

12          (b) *AUTHORIZATION OF APPROPRIATIONS.*—*Subject to*  
 13          *section 2825 of title 10, United States Code, funds are here-*  
 14          *by authorized to be appropriated for fiscal years beginning*  
 15          *after September 30, 2007, for military construction, land*  
 16          *acquisition, and military family housing functions of the*  
 17          *Department of the Navy in the total amount of*  
 18          *\$169,071,000, as follows:*

19               (1) *For military construction projects inside the*  
 20               *United States authorized by subsection (a),*  
 21               *\$149,814,000.*

1           (2) *For architectural and engineering services*  
 2           *and construction design under section 2807 of title*  
 3           *10, United States Code, \$7,491,000.*

4           (3) *For construction and acquisition, planning*  
 5           *and design, and improvement of military family*  
 6           *housing and facilities, \$11,766,000.*

7   **SEC. 1517. TREATMENT AS ADDITIONAL AUTHORIZATIONS.**

8           *The amounts authorized to be appropriated by this*  
 9           *title are in addition to amounts otherwise authorized to be*  
 10          *appropriated by this Act.*

11          **TITLE XVI—NATIONAL GUARD**  
 12                            **ENHANCEMENT**

*Sec. 1601. Short title.*

*Subtitle A—National Guard Bureau*

*Sec. 1611. Enhancement of duties and position of Chief of the National Guard Bureau.*

*Sec. 1612. Establishment of National Guard Bureau as joint activity of Department of Defense.*

*Sec. 1613. Enhancement of functions of National Guard Bureau.*

*Sec. 1614. Requirement for Secretary of Defense to prepare annual plan for response to natural disasters and terrorist events.*

*Sec. 1615. Determination of Department of Defense civil support requirements.*

*Sec. 1616. Conforming and clerical amendments.*

*Subtitle B—Additional Reserve Component Enhancement*

*Sec. 1621. United States Northern Command.*

*Sec. 1622. Council of Governors.*

*Sec. 1623. Reserve Components Policy Board.*

*Sec. 1624. Requirements for certain high-level positions to be held by reserve component general or flag officers.*

*Sec. 1625. Retirement age and years of service limitations on certain reserve general and flag officers.*

*Sec. 1626. Additional reporting requirements relating to National Guard equipment.*

1 **SEC. 1601. SHORT TITLE.**

2 *This title may be cited as the “National Guard Em-*  
3 *powerment Act”.*

4 **Subtitle A—National Guard Bureau**

5 **SEC. 1611. ENHANCEMENT OF DUTIES AND POSITION OF**  
6 **CHIEF OF THE NATIONAL GUARD BUREAU.**

7 (a) *PRINCIPAL ADVISER TO SECRETARY OF DEFENSE*  
8 *THROUGH CHAIRMAN OF JOINT CHIEFS OF STAFF ON NA-*  
9 *TIONAL GUARD MATTERS.—Subsection (c) of section 10502*  
10 *of title 10, United States Code, is amended by inserting*  
11 *after “principal adviser” the following: “to the Secretary*  
12 *of Defense (through the Chairman of the Joint Chiefs of*  
13 *Staff),”.*

14 (b) *ADVISER TO COMMANDER OF THE UNITED STATES*  
15 *NORTHERN COMMAND AND SECRETARY OF HOMELAND SE-*  
16 *CURITY.—Subsection (c) of such section is further amend-*  
17 *ed—*

18 (1) *by inserting “(1)” before “The Chief”; and*  
19 (2) *by adding at the end the following new para-*  
20 *graph:*

21 *“(2) The Chief of the National Guard Bureau also is*  
22 *an adviser on such matters to the commander of the combat-*  
23 *ant command the geographic area of responsibility of which*  
24 *includes the United States and to the Secretary of Home-*  
25 *land Security.”.*

1       (c) *APPOINTMENT TO OFFICE IN GRADE OF GEN-*  
2 *ERAL.*—*Subsection (d) of such section is amended by strik-*  
3 *ing “lieutenant general” and inserting “general”.*

4       (d) *APPOINTMENT PROCESS.*—*Subsection (a) of such*  
5 *section is amended—*

6           (1) *by redesignating paragraphs (1), (2), and (3)*  
7 *as subparagraphs (A), (B), and (C), respectively;*

8           (2) *by inserting “(1)” before “There is”; and*

9           (3) *by adding at the end the following new para-*  
10 *graphs:*

11       “(2) *The Secretary of Defense shall establish a process*  
12 *to identify, from among the officers of the Army National*  
13 *Guard of the United States and Air National Guard of the*  
14 *United States recommended under paragraph (1)(A), the*  
15 *best qualified officer or officers whom the Secretary of De-*  
16 *fense will recommend for consideration by the President for*  
17 *appointment as Chief of the National Guard Bureau.*

18       “(3) *In establishing the process under paragraph (2),*  
19 *the Secretary of Defense shall—*

20           “(A) *consider such procedural recommendations*  
21 *as the current Chief of the National Guard Bureau*  
22 *may provide;*

23           “(B) *employ a selection advisory board, which*  
24 *shall be appointed, chartered, and instructed by agree-*

1        *ment between the Secretary of the Army and the Sec-*  
2        *retary of the Air Force; and*

3            *“(C) incorporate the requirements of section*  
4        *601(d) of this title relating to a performance evalua-*  
5        *tion and necessary qualifications for the position.”.*

6        *(e) REPEAL OF PROHIBITION ON CHIEF HOLDING OF-*  
7        *FICE AFTER AGE 64.—Subsection (b) of such section is*  
8        *amended by striking “An officer may not hold that office*  
9        *after becoming 64 years of age.”.*

10        *(f) APPOINTMENT OF NEXT CHIEF OF THE NATIONAL*  
11        *GUARD BUREAU.—Not later than 120 days after the date*  
12        *of the enactment of this Act, the Secretary of Defense shall*  
13        *submit to the President recommendations regarding the best*  
14        *qualified officer or officers for consideration by the Presi-*  
15        *dent for appointment as the next Chief of the National*  
16        *Guard Bureau under section 10502 of title 10, United*  
17        *States Code, as amended by this section. The amendments*  
18        *made by subsections (c), (d), and (e) shall apply with re-*  
19        *spect to such appointment. The officer serving in the office*  
20        *of Chief of the National Guard Bureau as of the date of*  
21        *the enactment of this Act may be recommended for appoint-*  
22        *ment and appointed to that office to serve in the grade of*  
23        *general.*

1 **SEC. 1612. ESTABLISHMENT OF NATIONAL GUARD BUREAU**  
2 **AS JOINT ACTIVITY OF DEPARTMENT OF DE-**  
3 **FENSE.**

4 (a) *JOINT ACTIVITY OF THE DEPARTMENT OF DE-*  
5 *FENSE.*—Subsection (a) of section 10501 of title 10, United  
6 States Code, is amended by striking “joint bureau of the  
7 Department of the Army and the Department of the Air  
8 Force” and inserting “joint activity of the Department of  
9 Defense”.

10 (b) *JOINT MANPOWER REQUIREMENTS.*—

11 (1) *IN GENERAL.*—Chapter 1011 of such title is  
12 amended by adding at the end the following new sec-  
13 tion:

14 **“§ 10508. National Guard Bureau: general provisions**

15 “The manpower requirements of the National Guard  
16 Bureau as a joint activity of the Department of Defense  
17 shall be determined in accordance with regulations pre-  
18 scribed by the Secretary of Defense, in consultation with  
19 the Chairman of the Joint Chiefs of Staff.”.

20 (2) *CLERICAL AMENDMENT.*—The table of sec-  
21 tions at the beginning of such chapter is amended by  
22 adding at the end the following new item:

“10508. National Guard Bureau: general provisions.”.

1 **SEC. 1613. ENHANCEMENT OF FUNCTIONS OF NATIONAL**  
2 **GUARD BUREAU.**

3 (a) *ADDITIONAL GENERAL FUNCTIONS.*—Section  
4 10503 of title 10, United States Code, is amended—

5 (1) by redesignating paragraph (12), as para-  
6 graph (13); and

7 (2) by inserting after paragraph (11) the fol-  
8 lowing new paragraph (12):

9 “(12)(A) *Facilitating and coordinating with the*  
10 *entities listed in subparagraph (B) the use of Na-*  
11 *tional Guard personnel and resources for operations*  
12 *conducted under title 32, or in support of State mis-*  
13 *sions.*

14 “(B) *The entities listed in this subparagraph for*  
15 *purposes of subparagraph (A) are the following:*

16 “(I) *Other Federal agencies.*

17 “(ii) *The Adjutants General of the States.*

18 “(iii) *The United States Joint Forces Com-*  
19 *mand.*

20 “(iv) *The combatant command the geo-*  
21 *graphic area of responsibility of which includes*  
22 *the United States,”.*

23 (b) *CHARTER DEVELOPED AND PRESCRIBED BY SEC-*  
24 *RETARY OF DEFENSE.*—Section 10503 of such title is  
25 amended—

26 (1) *in the matter preceding paragraph (1)—*

1           (A) by striking “The Secretary of the Army  
2           and the Secretary of the Air Force shall jointly  
3           develop” and inserting “The Secretary of De-  
4           fense, in consultation with the Chairman of the  
5           Joint Chiefs of Staff, the Secretary of the Army,  
6           and the Secretary of the Air Force, shall de-  
7           velop”; and

8           (B) by striking “cover” in the second sen-  
9           tence and inserting “reflect the full scope of the  
10          duties and activities of the Bureau, including” ;  
11          and

12          (2) in paragraph (12), by striking “the Secre-  
13          taries” and inserting “the Secretary of Defense”.

14 **SEC. 1614. REQUIREMENT FOR SECRETARY OF DEFENSE TO**  
15                   **PREPARE ANNUAL PLAN FOR RESPONSE TO**  
16                   **NATURAL DISASTERS AND TERRORIST**  
17                   **EVENTS.**

18          (a) *REQUIREMENT FOR ANNUAL PLAN.*—Not later  
19          than March 1, 2008, and each March 1 thereafter, the Sec-  
20          retary of Defense, in consultation with the commander of  
21          the United States Northern Command and the Chief of the  
22          National Guard Bureau, shall prepare and submit to Con-  
23          gress a plan for coordinating the use of the National Guard  
24          and members of the Armed Forces on active duty when re-  
25          sponding to natural disasters, acts of terrorism, and other

1 *man-made disasters as identified in the national planning*  
2 *scenarios described in subsection (e).*

3 (b) *INFORMATION TO BE PROVIDED TO SECRETARY.*—

4 *To assist the Secretary of Defense in preparing the plan,*  
5 *the National Guard Bureau, pursuant to its purpose as*  
6 *channel of communications as set forth in section 10501(b)*  
7 *of title 10, United States Code, shall provide to the Sec-*  
8 *retary information gathered from Governors, adjutants gen-*  
9 *eral of States, and other State civil authorities responsible*  
10 *for homeland preparation and response to natural and*  
11 *man-made disasters.*

12 (c) *TWO VERSIONS.*—*The plan shall set forth two*  
13 *versions of response, one using only members of the Na-*  
14 *tional Guard, and one using both members of the National*  
15 *Guard and members of the regular components of the Armed*  
16 *Forces.*

17 (d) *MATTERS COVERED.*—*The plan shall cover, at a*  
18 *minimum, the following:*

19 (1) *Protocols for the Department of Defense, the*  
20 *National Guard Bureau, and the Governors of the*  
21 *several States to carry out operations in coordination*  
22 *with each other and to ensure that Governors and*  
23 *local communities are properly informed and remain*  
24 *in control in their respective States and communities.*



1 *to support civil authorities in an incident of national sig-*  
2 *nificance or a catastrophic incident.*

3 *(b) PLAN FOR FUNDING CAPABILITIES.—*

4 *(1) PLAN.—The Secretary of Defense shall de-*  
5 *velop and implement a plan, in coordination with the*  
6 *Secretaries of the military departments and the*  
7 *Chairman of the Joint Chiefs of Staff, for providing*  
8 *the funds and resources necessary to develop and*  
9 *maintain the following:*

10 *(A) The military-unique capabilities deter-*  
11 *mined under subsection (a).*

12 *(B) Any additional capabilities determined*  
13 *by the Secretary to be necessary to support the*  
14 *use of the active components and the reserve com-*  
15 *ponents of the armed forces for homeland defense*  
16 *missions, domestic emergency responses, and pro-*  
17 *viding military support to civil authorities.*

18 *(2) TERM OF PLAN.—The plan required under*  
19 *paragraph (1) shall cover at least five years.*

20 *(c) BUDGET.—The Secretary of Defense shall include*  
21 *in the materials accompanying the budget submitted for*  
22 *each fiscal year a request for funds necessary to carry out*  
23 *the plan required under subsection (b) during the fiscal year*  
24 *covered by the budget. The defense budget materials shall*  
25 *delineate and explain the budget treatment of the plan for*

1 *each component of each military department, each combat-*  
2 *ant command, and each affected Defense Agency.*

3 (d) *IMPLEMENTATION.—In carrying out this section,*  
4 *the Secretary of Defense, acting through the chairman of*  
5 *the Joint Chiefs of Staff, shall ensure the appropriate as-*  
6 *signment of responsibilities, coordination of the efforts, and*  
7 *prioritization of renouncing by the appropriate combatant*  
8 *commands, the military departments, and the National*  
9 *Guard Bureau.*

10 (e) *DEFINITIONS.—In this section:*

11 (1) *The term “military-unique capabilities”*  
12 *means those capabilities that, in the view of the Sec-*  
13 *retary of Defense—*

14 (A) *cannot be provided by other Federal,*  
15 *State or local civilian agencies; and*

16 (B) *are essential to provide support to civil*  
17 *authorities in an incident of national signifi-*  
18 *cance or a catastrophic incident.*

19 (2) *The term “defense budget materials”, with*  
20 *respect to a fiscal year, means the materials sub-*  
21 *mitted to Congress by the Secretary of Defense in sup-*  
22 *port of the budget for that fiscal year.*

23 (f) *STRATEGIC PLANNING GUIDANCE.—Section*  
24 *113(g)(2) of title 10, United States Code, is amended by*  
25 *striking “contingency plans” at the end of the first sentence*

1 *and inserting the following: “contingency plans, including*  
2 *plans for providing support to civil authorities in an inci-*  
3 *dent of national significance or a catastrophic incident, for*  
4 *homeland defense, and for military support to civil authori-*  
5 *ties”.*

6 **SEC. 1616. CONFORMING AND CLERICAL AMENDMENTS.**

7 (a) *CONFORMING AMENDMENT.*—*The heading of sec-*  
8 *tion 10503 of such title is amended to read as follows:*

9 **“§ 10503. Functions of National Guard Bureau: char-**  
10 **ter”.**

11 (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
12 *the beginning of chapter 1011 of such title is amended by*  
13 *striking the item relating to section 10503 and inserting*  
14 *the following new item:*

*“10503. Functions of National Guard Bureau: charter.”.*

15 ***Subtitle B—Additional Reserve***  
16 ***Component Enhancement***

17 **SEC. 1621. UNITED STATES NORTHERN COMMAND.**

18 (a) *MANPOWER REVIEW.*—

19 (1) *REVIEW BY CHAIRMAN OF THE JOINT CHIEFS*  
20 *OF STAFF.*—*Not later than one year after the date of*  
21 *the enactment of this Act, the Chairman of the Joint*  
22 *Chiefs of Staff shall submit to the Secretary of De-*  
23 *fense a review of the civilian and military positions,*  
24 *job descriptions, and assignments within the United*  
25 *States Northern Command with the goal of signifi-*

1 *cantly increasing the number of members of a reserve*  
2 *component assigned to, and civilians employed by, the*  
3 *United States Northern Command who have experi-*  
4 *ence in the planning, training, and employment of*  
5 *forces for homeland defense missions, domestic emer-*  
6 *gency response, and providing military support to*  
7 *civil authorities.*

8 (2) *SUBMISSION OF RESULTS OF REVIEW.—Not*  
9 *later than 90 days after the date on which the Sec-*  
10 *retary of Defense receives the results of the review*  
11 *under paragraph (1), the Secretary shall submit to*  
12 *Congress a copy of the results of the review, together*  
13 *with such recommendations as the Secretary considers*  
14 *appropriate to achieve the objectives of the review.*

15 (b) *COMMAND AND CONTROL OF MIXED-STATUS*  
16 *FORCES IN CERTAIN MISSIONS.—*

17 (1) *PROCEDURES REQUIRED.—The Secretary of*  
18 *Defense shall establish procedures under which an of-*  
19 *ficer who is on active duty or an officer who is on*  
20 *full-time National Guard duty may command mixed-*  
21 *status forces in connection with the training and use*  
22 *of mixed-status forces for homeland defense missions,*  
23 *domestic emergency responses, and providing military*  
24 *support to civil authorities.*

1           (2) *ELEMENTS OF PROCEDURES.*—*The proce-*  
2           *dures shall include measures to enable—*

3                   (A) *the Commander of United States North-*  
4                   *ern Command and subordinate commanders*  
5                   *within the United States Northern Command to*  
6                   *exercise command of such mixed-status forces;*  
7                   *and*

8                   (B) *the Adjutant General or other officers of*  
9                   *the National Guard of a State to exercise com-*  
10                  *mand of such mixed-status forces.*

11           (3) *COORDINATION.*—*The Secretary of Defense*  
12           *shall establish the procedures in coordination with the*  
13           *Chairman of the Joint Chiefs of Staff, the Chief of the*  
14           *National Guard Bureau, and the Governors of the*  
15           *States.*

16           (c) *DEFINITIONS.*—*In this section:*

17                   (1) *The term “United States Northern Com-*  
18                   *mand” means the combatant command the geographic*  
19                   *area of responsibility of which includes the United*  
20                   *States.*

21                   (2) *the term “mixed-status forces” means units*  
22                   *and members of the National Guard that are on full-*  
23                   *time National Guard duty participating in an en-*  
24                   *campment, maneuver, training exercise, or operation*  
25                   *with members of the armed forces on active duty.*

1           (3) *The term “State” means the several States,*  
2           *the Commonwealth of Puerto Rico, the District of Co-*  
3           *lumbia, Guam, and the Virgin Islands.*

4           (4) *The term “Governor”, with respect to the*  
5           *District of Columbia, means the commanding general*  
6           *of the District of Columbia National Guard.*

7           (5) *The terms “active duty” and “full-time Na-*  
8           *tional Guard duty” have the meanings provided those*  
9           *terms by section 101 of title 10, United States Code.*

10 **SEC. 1622. COUNCIL OF GOVERNORS.**

11           *The President shall establish a bipartisan Council of*  
12           *Governors to advise the Secretary of Defense, the Secretary*  
13           *of Homeland Security, and the White House Homeland Se-*  
14           *curity Council on matters related to the National Guard*  
15           *and civil support missions.*

16 **SEC. 1623. RESERVE COMPONENTS POLICY BOARD.**

17           (a) *RESERVE COMPONENTS POLICY BOARD.—Section*  
18           *10301 of title 10, United States Code, is amended to read*  
19           *as follows:*

20 **“§ 10301. Reserve Components Policy Board**

21           “(a) *There is in the Office of the Secretary of Defense*  
22           *a Reserve Components Policy Board. The Board shall pro-*  
23           *vide the Secretary of Defense, through the Deputy Secretary*  
24           *of Defense, independent advice and recommendations on*  
25           *strategies, policies, and practices designed to improve and*

1 *enhance the capabilities, efficiency, and effectiveness of the*  
2 *reserve components of the United States.*

3       “(b) *The Board shall consist of 15 members appointed*  
4 *from civilian life by the Secretary of Defense. The Secretary*  
5 *shall designate the chairman and a vice chairman of the*  
6 *Board. Members of the Board shall be appointed without*  
7 *regard to political affiliation, shall be appointed for two-*  
8 *year, renewable terms, and shall have a proven record of*  
9 *high-level achievement in a national security–related field*  
10 *that includes matters pertaining to the reserve components*  
11 *of the United States.*

12       “(c) *Members of the Board shall be selected on the basis*  
13 *of knowledge, expertise, or achievement in the following*  
14 *areas:*

15               “(1) *The reserve components of the United*  
16 *States.*

17               “(2) *The national security and national military*  
18 *strategies of the United States.*

19               “(3) *The roles and missions of the active and re-*  
20 *serve components of the United States Armed Forces.*

21               “(4) *The organization, force structure, and force*  
22 *mix of the United States Armed Forces.*

23               “(5) *Acquisition; research and development;*  
24 *military operations; or personnel and compensation*

1        *programs, policies, and activities of the Department*  
2        *of Defense.*

3            *“(6) Homeland defense and support to civil au-*  
4        *thorities.*

5            *“(d) The Chairman shall be selected on the basis of*  
6        *extensive knowledge, expertise, or achievement with respect*  
7        *to the reserve components of the United States, including*  
8        *the National Guard.*

9            *“(e) The Under Secretary of Defense for Personnel and*  
10       *Readiness shall provide an executive director and the nec-*  
11       *essary support staff to manage the activities of the Board*  
12       *in consultation with the Chairman.*

13           *“(f) The Board shall act on those matters referred to*  
14       *it by the Secretary of Defense or the Chairman and, in ad-*  
15       *dition, on any matter raised by a member of the Board.*  
16       *As a part of its duties, the Board shall periodically meet*  
17       *with members of the reserve components of the United*  
18       *States.”.*

19           *(b) CLERICAL AMENDMENT.—The item relating to sec-*  
20       *tion 10301 in the table of sections at the beginning of chap-*  
21       *ter 1009 of such title is amended to read as follows:*

*“10301. Reserve Components Policy Board.”.*

22           *(c) CONFORMING AMENDMENTS.—*

23                *(1) Title 10, United States Code, is amended in*  
24        *the following provisions by striking “Reserve Forces*

1 *Policy Board” and inserting “Reserve Components*  
 2 *Policy Board”:*

3 (A) *Section 101(d)(6)(B)(i).*

4 (B) *Section 113(c)(2) (both places).*

5 (C) *Section 175.*

6 (2) *The heading of section 175 of such title is*  
 7 *amended to read as follows:*

8 **“§ 175. Reserve Components Policy Board”.**

9 (3) *The item relating to section 175 in the table*  
 10 *of sections for chapter 7 of such title is amended to*  
 11 *read as follows:*

*“175. Reserve Components Policy Board.”.*

12 **SEC. 1624. REQUIREMENTS FOR CERTAIN HIGH-LEVEL POSI-**  
 13 **TIONS TO BE HELD BY RESERVE COMPONENT**  
 14 **GENERAL OR FLAG OFFICERS.**

15 (a) *UNIFIED AND SPECIFIED COMBATANT COMMAND*  
 16 *POSITIONS.—Subparagraph (A) of section 526(b)(2) of title*  
 17 *10, United States Code, is amended by striking “10 general*  
 18 *and flag officer positions on the staffs of the commanders*  
 19 *of” and inserting “15 general and flag officer positions in”.*

20 (b) *DESIGNATION OF LIEUTENANT GENERAL OR VICE*  
 21 *ADMIRAL POSITIONS TO BE HELD ONLY BY RESERVE COM-*  
 22 *PONENT OFFICERS.—Such subparagraph is further amend-*  
 23 *ed—*

24 (1) *by inserting “(i)” after “(A)”;*

25 (2) *by striking the last sentence; and*

1           (3) *by adding at the end the following new*  
2       *clauses:*

3           “(ii) *The Chairman of the Joint Chiefs of Staff shall*  
4       *designate up to three general and flag officer positions in*  
5       *the grade of lieutenant general or vice admiral to be held*  
6       *only by reserve component officers. One of the positions des-*  
7       *ignated under this clause shall be the deputy commander*  
8       *of the combatant command the geographic area of responsi-*  
9       *bility of which includes the United States, unless a reserve*  
10       *component officer is serving as commander of that combat-*  
11       *ant command. Each position designated under this clause*  
12       *shall be in addition to those positions that are required by*  
13       *law to be filled by an officer serving in the grade of lieuten-*  
14       *ant general or vice admiral.*

15           “(iii) *The positions designated under clauses (i) and*  
16       *(ii) shall be considered a joint duty assignment position*  
17       *for the purposes of chapter 38 of this title.”.*

18       **SEC. 1625. RETIREMENT AGE AND YEARS OF SERVICE LIM-**  
19                                **TATIONS ON CERTAIN RESERVE GENERAL**  
20                                **AND FLAG OFFICERS.**

21       (a) *RETIREMENT FOR AGE.—*

22               (1) *INCLUSION OF RESERVE GENERALS AND AD-*  
23        *MIRALS.—Section 14511 of title 10, United States*  
24        *Code, is amended to read as follows:*

1 **“§ 14511. Separation at age 64: major generals and**  
2 **generals and rear admirals and admirals**

3 “(a) MAJOR GENERALS AND REAR ADMIRALS.—Un-  
4 less retired, transferred to the Retired Reserve, or discharged  
5 at an earlier date, each reserve officer of the Army, Air  
6 Force, or Marine Corps in the grade of major general and  
7 each reserve officer of the Navy in the grade of rear admiral,  
8 except an officer covered by section 14512 of this title, shall  
9 be separated in accordance with section 14515 of this title  
10 on the last day of the month in which the officer becomes  
11 64 years of age.

12 “(b) GENERALS AND ADMIRALS.—(1) Unless retired,  
13 transferred to the Retired Reserve, or discharged at an ear-  
14 lier date, each reserve officer of the Army, Air Force, or  
15 Marine Corps in the grade of general and each reserve offi-  
16 cer of the Navy in the grade of admiral shall be separated  
17 in accordance with section 14515 of this title on the last  
18 day of the month in which the officer becomes 64 years of  
19 age.

20 “(2) The retirement of an officer under paragraph (1)  
21 may be deferred—

22 “(A) by the President, but such a deferment may  
23 not extend beyond the first day of the month following  
24 the month in which the officer becomes 68 years of  
25 age; or

1           “(B) by the Secretary of Defense, but such a  
2           deferment may not extend beyond the first day of the  
3           month following the month in which the officer be-  
4           comes 66 years of age.”.

5           (2) *CLERICAL AMENDMENT.*—The table of sec-  
6           tions at the beginning of chapter 1407 of such title is  
7           amended by striking the item relating to section  
8           14511 and inserting the following new item:

          “14511. Separation at age 64: major generals and generals and rear admirals  
          and admirals.”.

9           (b) *CONFORMING AMENDMENTS AND RESERVE OFFI-*  
10          *CERS HOLDING CERTAIN OTHER OFFICES.*—Section 14512  
11          of such title is amended—

12                 (1) in subsection (a)(2)—

13                         (A) by striking subparagraph (A); and

14                         (B) by redesignating subparagraphs (B),  
15                         (C), and (D) as subparagraphs (A), (B), and  
16                         (C), respectively;

17                 (2) in subsection (b)—

18                         (A) by inserting “(1)” before “The Sec-  
19                         retary”; and

20                         (B) by adding at the end the following new  
21                         paragraph:

22                         “(2) The President may defer the retirement of a re-  
23                         serve officer serving in the position of Chief of the Navy  
24                         Reserve or Commander of the Marine Forces Reserve, but

1 *such deferment may not extend beyond the first day of the*  
2 *month following the month in which the officer becomes 66*  
3 *years of age. A deferment under this paragraph shall not*  
4 *count toward the limitation on the total number of officers*  
5 *whose retirement may be deferred at any one time under*  
6 *paragraph (1).”;* and

7           (3) *by adding at the end the following new sub-*  
8 *section:*

9           “(c) *DESIGNATED LIEUTENANT GENERAL OR VICE AD-*  
10 *MIRAL POSITIONS HELD BY RESERVE COMPONENT OFFI-*  
11 *CERS.—Unless retired, transferred to the Retired Reserve,*  
12 *or discharged at an earlier date, a reserve officer serving*  
13 *in one of the general and flag officer positions designated*  
14 *under section 526(b)(2)(A)(ii) of this title to be held by a*  
15 *reserve officer in the grade of lieutenant general or vice ad-*  
16 *miral shall, on the last day of the month in which the officer*  
17 *becomes 66 years of age, be separated in accordance with*  
18 *section 14515 of this title.”.*

19           (c) *IMPOSITION OF YEARS OF SERVICE LIMITATION.—*

20           (1) *IMPOSITION OF LIMITATION.—Section 14508*  
21 *of such title is amended by inserting after subsection*  
22 *(c), as added by section 511, the following new sub-*  
23 *section:*

24           “(d) *FORTY YEARS OF SERVICE FOR GENERALS AND*  
25 *ADMIRALS.—Unless retired, transferred to the Retired Re-*

1 *serve, or discharged at an earlier date, each reserve officer*  
2 *of the Army, Air Force, or Marine Corps in the grade of*  
3 *general and each reserve officer of the Navy in the grade*  
4 *of admiral shall, 30 days after completion of 40 years of*  
5 *commissioned service, be separated in accordance with sec-*  
6 *tion 14514 of this title.”.*

7           (2) *CONFORMING AMENDMENTS.—Subsection (b)*  
8 *of section 10502 of such title, as amended by section*  
9 *1611(e), is further amended—*

10                   (A) *by inserting “(1)” before the first sen-*  
11 *tence; and*

12                   (B) *by striking “While holding that office”*  
13 *and inserting the following:*

14           “(2) *Except as provided in section 14508(d) of this*  
15 *title, while holding the office of Chief of the National Guard*  
16 *Bureau”.*

17           (d) *TREATMENT OF CURRENT CHIEF OF THE NA-*  
18 *TIONAL GUARD BUREAU.—Section 14512(a) of title 10,*  
19 *United States Code, as in effect on the day before the date*  
20 *of the enactment of this Act, shall continue to apply with*  
21 *respect to the officer serving in the office of Chief of the*  
22 *National Guard Bureau as of that date. However, if the*  
23 *officer serving in the office of Chief of the National Guard*  
24 *Bureau as of that date is subsequently appointed to that*  
25 *office to serve in the grade of general, subsection (b) of sec-*

1 *tion 14511 of such title, as added by this section, shall*  
 2 *apply.*

3 **SEC. 1626. ADDITIONAL REPORTING REQUIREMENTS RE-**  
 4 **LATING TO NATIONAL GUARD EQUIPMENT.**

5 *Section 10541 of title 10, United States Code, is*  
 6 *amended by adding at the end the following new subsection:*

7 *“(d) Each report under this section concerning equip-*  
 8 *ment of the National Guard shall also include the following:*

9 *“(1) A statement of the accuracy of the projec-*  
 10 *tions required by subsection (b)(5)(D) contained in*  
 11 *earlier reports under this section, and an explanation,*  
 12 *if the projection was not met, of why the projection*  
 13 *was not met.*

14 *“(2) A certification from the Chief of the Na-*  
 15 *tional Guard Bureau setting forth an inventory for*  
 16 *the preceding fiscal year of each item of equipment—*

17 *“(A) for which funds were appropriated;*

18 *“(B) which was due to be procured for the*  
 19 *National Guard during that fiscal year; and*

20 *“(C) which has not been received by a Na-*  
 21 *tional Guard unit as of the close of that fiscal*  
 22 *year.”.*

23 **TITLE XVII—DEFENSE READI-**  
 24 **NESS PRODUCTION BOARD**

*Sec. 1701. Purpose.*

*Sec. 1702. Establishment of Defense Readiness Production Board.*

*Sec. 1703. Defense Production Industry Advisory Council.*

*Sec. 1704. Role of Chairman of Board in certain reporting processes.*

*Sec. 1705. Authority to use multiyear contracts.*

*Sec. 1706. Transfer authority.*

*Sec. 1707. Special authority for use of working capital funds for critical readiness requirements.*

*Sec. 1708. Strategic Readiness Fund.*

1 **SEC. 1701. PURPOSE.**

2       *The purpose of this title is to establish a Defense Read-*  
 3 *iness Production Board to identify and designate critical*  
 4 *readiness requirements, to improve the utilization of the de-*  
 5 *fense industrial base, and to provide authorities to the Sec-*  
 6 *retary of Defense and the Secretaries of the military depart-*  
 7 *ments to address critical readiness requirements.*

8 **SEC. 1702. ESTABLISHMENT OF DEFENSE READINESS PRO-**  
 9 **DUCTION BOARD.**

10       *(a) ESTABLISHMENT.—The Secretary of Defense shall*  
 11 *establish a Defense Readiness Production Board (in this*  
 12 *subtitle referred to as the “Board”) within the Office of the*  
 13 *Secretary of Defense.*

14       *(b) MEMBERSHIP.—*

15               *(1) IN GENERAL.—The Board shall be composed*  
 16 *of 16 members appointed by the Secretary of Defense*  
 17 *in accordance with this subsection.*

18               *(2) CHAIRMAN.—The Secretary shall appoint a*  
 19 *Chairman from within the Office of the Secretary of*  
 20 *Defense.*

21               *(3) MILITARY PERSONNEL.—The Secretary shall*  
 22 *appoint members from among officers of the Armed*

1       *Forces serving on the joint staff and each of the*  
2       *Armed Forces. In making appointments under this*  
3       *paragraph, the Secretary shall ensure that there is*  
4       *full representation of the reserve components of each*  
5       *of the Armed Forces, including at least two represent-*  
6       *atives of the National Guard and two individuals*  
7       *with responsibilities relating to a depot activity.*

8               (4) *CIVILIAN PERSONNEL.*—*The Secretary shall*  
9       *appoint members from among civilian employees of*  
10       *the Department of Defense serving in each of the mili-*  
11       *tary departments and in such other entities within*  
12       *the Department as the Secretary determines appro-*  
13       *priate.*

14              (5) *OTHER AGENCIES.*—*The Secretary may re-*  
15       *quest such representatives from other Federal agencies*  
16       *to serve as members as the Secretary of Defense con-*  
17       *siders necessary, appropriate, and relevant to the*  
18       *work of the Board.*

19              (6) *TERMS; VACANCIES.*—*The Secretary shall de-*  
20       *termine the term of office of members of the Board*  
21       *and the manner of filling vacancies on the Board.*

22       (c) *FUNCTIONS.*—

23              (1) *DESIGNATION OF CRITICAL READINESS RE-*  
24       *QUIREMENTS.*—

25                   (A) *The Board shall—*

1                   (i) monitor and assess the readiness of  
2                   the Armed Forces;

3                   (ii) assist the Secretary of Defense and  
4                   Congress in the identification of deficiencies  
5                   in the readiness of the Armed Forces caused  
6                   by shortfalls in weapons systems, equip-  
7                   ment, and supplies; and

8                   (iii) identify and formally designate  
9                   critical readiness requirements.

10                  (B) In this title, the term “critical readiness  
11                  requirements” means shortfalls in equipment or  
12                  supplies that materially reduce readiness of the  
13                  Armed Forces and that—

14                         (i) cannot be adequately addressed by  
15                         identifying acceptable substitute capabilities  
16                         or cross leveling of equipment that does not  
17                         unacceptably reduce the readiness of other  
18                         Armed Forces; and

19                         (ii) that are likely to persist for more  
20                         than two years based on currently projected  
21                         budgets and schedules for deliveries of  
22                         equipment and supplies.

23                  (C) During the period beginning on the date  
24                  of the enactment of this Act and ending on the  
25                  date of the first meeting of the Board, the Sec-

1            *retary of Defense may identify and formally des-*  
2            *ignate critical readiness requirements under sub-*  
3            *paragraph (A)(iii) in lieu of the Board.*

4            (2) *MONITORING AND ASSESSMENT OF INDUS-*  
5            *TRIAL CAPACITY.—The Board shall also monitor and*  
6            *assess the industrial capacity of all elements of the*  
7            *Department of Defense, the defense industrial base,*  
8            *and non-traditional suppliers to the Department of*  
9            *Defense—*

10            (A) *to determine where industrial capacity*  
11            *is being insufficiently used to meet the needs of*  
12            *the Department of Defense, particularly in ad-*  
13            *ressing critical readiness requirements; and*

14            (B) *to recommend ways to increase the use*  
15            *of the industrial base, including through encour-*  
16            *aging the use of public-private partnerships for*  
17            *existing systems currently maintained outside*  
18            *the depot system as a means of promoting com-*  
19            *petition, attracting non-traditional suppliers,*  
20            *and expanding the business base of traditional*  
21            *suppliers.*

22            (3) *REPORTS AND NOTIFICATIONS.—*

23            (A) *The Board shall submit to the Secretary*  
24            *of Defense and to the congressional defense com-*  
25            *mittees reports to communicate its findings and*



1 *assist the Defense Readiness Production Board in fulfilling*  
2 *its duties and functions with respect to the industrial base.*

3 (b) *MEMBERSHIP.*—*The Council shall be composed of*  
4 *12 members, appointed by the Secretary of Defense in con-*  
5 *sultation with the Armed Services Committees of the Senate*  
6 *and the House of Representatives from among individuals*  
7 *with knowledge of the defense industrial base, including in-*  
8 *dividuals who—*

9 (1) *represent major sectors of defense industry*  
10 *most relevant to the work of the Council;*

11 (2) *represent non-traditional suppliers to the De-*  
12 *partment of Defense from industries most relevant to*  
13 *the work of the Council;*

14 (3) *represent suppliers of essential materials*  
15 *most relevant to the work of the Council; and*

16 (4) *represent the workforce in the defense indus-*  
17 *trial base most relevant to the work of the Council.*

18 (c) *FUNCTIONS.*—*The Council shall advise and assist*  
19 *the Defense Readiness Production Board in fulfilling its du-*  
20 *ties and functions with regard to the industrial base and*  
21 *on such other matters as the Secretary may direct.*

22 (d) *REIMBURSEMENT.*—*The Secretary may provide re-*  
23 *imbursement to members of the Council for purposes of at-*  
24 *tending meetings of the Council, in accordance with Federal*  
25 *guidelines.*

1       (e) *TERMINATION.*—*The Council shall terminate 5*  
2 *years after the date of its establishment under subsection*  
3 *(a).*

4 **SEC. 1704. ROLE OF CHAIRMAN OF BOARD IN CERTAIN RE-**  
5 **PORTING PROCESSES.**

6       (a) *READINESS REPORTING SYSTEM.*—

7           (1) *INCLUSION IN JOINT READINESS REVIEWS.*—  
8 *The Chairman of the Board, or a representative of the*  
9 *Chairman, shall be included in the quarterly joint*  
10 *readiness reviews and monthly updates required*  
11 *under section 117(d) of title 10, United States Code.*

12           (2) *INCLUSION IN REPORTS.*—*The Chairman of*  
13 *the Board may submit views to the Secretary of De-*  
14 *fense for inclusion in the report submitted to Congress*  
15 *by the Secretary under section 117(e) of such title.*

16       (b) *QUARTERLY REPORTS ON MILITARY READI-*  
17 *NESS.*—*The Chairman of the Board shall be included in*  
18 *the process for preparing quarterly reports required under*  
19 *section 482 of title 10, United States Code. The Chairman*  
20 *may submit views to the Secretary of Defense for inclusion*  
21 *in such reports.*

22       (c) *REPORTS ON FUND TRANSFERS.*—*The Chairman*  
23 *of the Board shall be included in the process of transferring*  
24 *any funds described in reports submitted under section 483*  
25 *of title 10, United States Code. The Chairman may submit*

1 *views to the Secretary of Defense for inclusion in such re-*  
2 *ports, and if the Chairman determines that any transfer*  
3 *described in a report would negatively affect a critical read-*  
4 *iness requirement, shall submit views on such transfer.*

5 **SEC. 1705. AUTHORITY TO USE MULTIYEAR CONTRACTS.**

6       (a) *IN GENERAL.*—Notwithstanding section 2306b of  
7 *title 10, United States Code, the Secretary of a military*  
8 *department may enter into a multiyear contract to procure*  
9 *an item if such item will fill, or substantially fill, a critical*  
10 *readiness requirement designated by the Board.*

11       (b) *LIMITATION ON ITEMS.*—The authority under sub-  
12 *section (a) may not be used unless the item to be procured—*

13           (1) *is the same or substantially the same as an*  
14 *item procured previously using a multiyear contract;*

15           (2) *has been in full-rate production for at least*  
16 *3 years; or*

17           (3) *is a non-developmental commercial item with*  
18 *modifications that are de minimis in nature.*

19       (c) *ADDITIONAL LIMITATION.*—The authority under  
20 *subsection (a) may not be used unless the Secretary of the*  
21 *military department concerned—*

22           (1) *certifies that the pricing under the contract*  
23 *is fair and reasonable and that the Secretary has all*  
24 *the information necessary to make such certification;*  
25 *and*

1           (2) *the congressional defense committees have*  
2           *been notified at least 30 days in advance of the award*  
3           *of the proposed contract, and the notification includes*  
4           *a statement of the cancellation ceiling for the con-*  
5           *tract.*

6           (d) *ACCOUNTING FOR COSTS.—For the purpose of ac-*  
7           *counting for the costs of contracts entered into under this*  
8           *section, the Department of Defense shall either—*

9                   (1) *record obligations for the full cost of the con-*  
10                  *tract at the time of contract award; or*

11                   (2) *record obligations for each fiscal year of the*  
12                  *contract equal to the Government’s total annual li-*  
13                  *ability, which includes, for a fiscal year, the perform-*  
14                  *ance cost of the contract for the fiscal year plus any*  
15                  *costs that would be incurred if the contract were can-*  
16                  *celled at the end of the fiscal year.*

17           (e) *MULTIYEAR CONTRACT DEFINED.—In this section,*  
18           *the term “multiyear contract” has the meaning provided*  
19           *in section 2306b(k) of this title.*

20           (f) *REGULATIONS.—The Secretary of Defense shall pre-*  
21           *scribe regulations to carry out this section. The regulations*  
22           *shall include provisions similar to the provisions required*  
23           *under section 2306b(e) of this title (relating to protection*  
24           *of existing authority).*

1 **SEC. 1706. TRANSFER AUTHORITY.**

2       (a) *IN GENERAL.*—*The Secretary of Defense may*  
3 *transfer from amounts described in subsection (b) to other*  
4 *appropriations of the Department of Defense for fiscal year*  
5 *2008 or any subsequent fiscal year such amounts as the Sec-*  
6 *retary determines necessary to address critical readiness re-*  
7 *quirements designated by the Board. Amounts so trans-*  
8 *ferred shall be merged with and be available for the same*  
9 *purposes as the accounts to which transferred. The total*  
10 *amount that the Secretary may transfer under the author-*  
11 *ity of this section in any fiscal year is \$1,000,000,000.*

12       (b) *AMOUNTS SUBJECT TO TRANSFER.*—*Transfers*  
13 *under this section may be made only from amounts appro-*  
14 *priated to the Department of Defense for fiscal year 2008*  
15 *or any subsequent fiscal year that remain available for obli-*  
16 *gation.*

17       (c) *ADDITIONAL AUTHORITY.*—*The authority provided*  
18 *by this section is in addition to any other authority pro-*  
19 *vided by law authorizing the transfer of amounts available*  
20 *to the Department of Defense.*

21 **SEC. 1707. SPECIAL AUTHORITY FOR USE OF WORKING CAP-**  
22 **ITAL FUNDS FOR CRITICAL READINESS RE-**  
23 **QUIREMENTS.**

24       (a) *NOTIFICATION TO SECRETARY OF CERTAIN EX-*  
25 *PENSES.*—*The Secretary of a military department shall no-*  
26 *tify the Secretary of Defense if the Secretary of the military*

1 department determines that costs will be incurred for work  
2 on a critical readiness program in excess of amounts avail-  
3 able in the working capital fund of the military depart-  
4 ment.

5 (b) *TRANSFER OF FUNDS.*—The Secretary of Defense,  
6 after receiving a notification under subsection (a), may  
7 transfer funds from another working capital fund or other  
8 funds available to the Department of Defense for fiscal year  
9 2008 or any subsequent fiscal year sufficient to cover the  
10 costs of the critical readiness program. The Secretary of the  
11 military department to which the funds are transferred  
12 shall notify the congressional defense committees of the  
13 transfer within 30 days after the transfer is made.

14 (c) *REQUIREMENT TO REIMBURSE WORKING CAPITAL*  
15 *FUNDS.*—In the case of any working capital fund from  
16 which a transfer is made under subsection (b), the Secretary  
17 of Defense shall, within 12 months after the transfer, reim-  
18 burse the fund from any of the following:

19 (1) An appropriation of funds.

20 (2) Other funds available to the Department of  
21 Defense.

22 (3) If the Secretary is unable to provide reim-  
23 bursement pursuant to paragraph (1) or (2) within  
24 nine months after the transfer, advance billing (under  
25 section 2208(i) of title 10, United States Code) from

1        *the military department carrying out the critical*  
2        *readiness program.*

3        (d) *ADDITIONAL TRANSFER AUTHORITY.*—*The trans-*  
4        *fer authority under this section is in addition to any other*  
5        *transfer authority.*

6        (e) *CRITICAL READINESS PROGRAM.*—*In this section,*  
7        *the term “critical readiness program” means a program to*  
8        *address a critical readiness requirement designated by the*  
9        *Board.*

10    **SEC. 1708. STRATEGIC READINESS FUND.**

11        (a) *ESTABLISHMENT.*—*There is established on the*  
12        *books of the Treasury a fund to be known as the Department*  
13        *of Defense Strategic Readiness Fund (in this subsection re-*  
14        *ferred to as the “Fund”), which shall be administered by*  
15        *the Secretary of the Treasury.*

16        (b) *PURPOSES.*—*The Fund shall be used to address*  
17        *critical readiness requirements designated under section*  
18        *1701(c).*

19        (c) *ASSETS OF FUND.*—*There shall be deposited into*  
20        *the Fund any amount appropriated to the Fund, which*  
21        *shall constitute the assets of the Fund.*

22        (d) *TRANSFER OF FUNDS.*—

23                (1) *The Secretary of Defense may transfer*  
24                *amounts in the Fund to such appropriations accounts*  
25                *as the Secretary determines appropriate for address-*

1 *ing critical readiness requirements designated under*  
2 *section 1701(c). Amounts so transferred shall be*  
3 *merged with and available for the same purposes and*  
4 *for the same time period as the appropriation account*  
5 *to which transferred.*

6 (2) *The transfer authority provided in para-*  
7 *graph (1) is in addition to any other transfer author-*  
8 *ity available to the Department of Defense. Upon a*  
9 *determination that all or part of the amounts trans-*  
10 *ferred from the Fund are not necessary for the pur-*  
11 *poses for which transferred, such amounts may be*  
12 *transferred back to the Fund.*

13 (3) *The Secretary of Defense shall notify the con-*  
14 *gressional defense committees within 30 days after the*  
15 *Secretary makes a transfer under this subsection.*

16 (e) *AUTHORIZATION.—There is hereby authorized to be*  
17 *appropriated to the Strategic Readiness Fund*  
18 *\$1,000,000,000, to be derived from amounts for Operations*  
19 *and Maintenance under section 1508.*

20 ***DIVISION B—MILITARY CON-***  
21 ***STRUCTION AUTHORIZA-***  
22 ***TIONS***

23 ***SEC. 2001. SHORT TITLE.***

24 *This division may be cited as the “Military Construc-*  
25 *tion Authorization Act for Fiscal Year 2008”.*

1

**TITLE XXI—ARMY***Sec. 2101. Authorized Army construction and land acquisition projects.**Sec. 2102. Family housing.**Sec. 2103. Improvements to military family housing units.**Sec. 2104. Authorization of appropriations, Army.**Sec. 2105. Modification of authority to carry out certain fiscal year 2006 project.*

2 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**  
 3 **ACQUISITION PROJECTS.**

4 (a) *INSIDE THE UNITED STATES.—Using amounts ap-*  
 5 *propriated pursuant to the authorization of appropriations*  
 6 *in section 2104(a)(1), the Secretary of the Army may ac-*  
 7 *quire real property and carry out military construction*  
 8 *projects for the installations or locations inside the United*  
 9 *States, and in the amounts, set forth in the following table:*

**Army: Inside the United States**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Alabama .....	Anniston Army Depot .....	\$26,000,000
Alaska .....	Fort Richardson .....	\$92,800,000
	Fort Wainwright .....	\$105,600,000
Arizona .....	Fort Huachuca .....	\$129,600,000
California .....	Fort Irwin .....	\$24,000,000
	Presidio, Monterey .....	\$28,000,000
Colorado .....	Fort Carson .....	\$157,200,000
Delaware .....	Dover Air Force Base .....	\$17,500,000
Florida .....	Eglin Air Force Base .....	\$66,000,000
	Southern Command Headquarters, Miami .....	\$237,000,000
Georgia .....	Fort Benning .....	\$185,800,000
	Fort Stewart/Hunter Army Air Field .....	\$123,500,000
Hawaii .....	Fort Shafter .....	\$31,000,000
	Kahuku Training Area .....	\$9,200,000
	Schofield Barracks .....	\$88,000,000
	Wheeler Army Air Field .....	\$51,000,000
Kansas .....	Fort Leavenworth .....	\$90,800,000
	Fort Riley .....	\$140,200,000
Kentucky .....	Fort Campbell .....	\$105,000,000
	Fort Knox .....	\$6,700,000
Missouri .....	Fort Leonard Wood .....	\$129,050,000
Nevada .....	Hawthorne Army Ammunition Plant .....	\$11,800,000
New Mexico .....	White Sands Missile Range .....	\$71,000,000
New York .....	Fort Drum .....	\$300,600,000
North Carolina .....	Fort Bragg .....	\$270,800,000
Oklahoma .....	Fort Sill .....	\$2,900,000
South Carolina .....	Fort Jackson .....	\$85,000,000
Texas .....	Camp Bullis .....	\$1,600,000
	Corpus Christi .....	\$11,200,000
	Fort Bliss .....	\$111,900,000
	Fort Hood .....	\$138,000,000

**Army: Inside the United States—Continued**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Virginia .....	Fort Sam Houston .....	\$19,150,000
	Red River Army Depot .....	\$9,200,000
	Fort Belvoir .....	\$13,000,000
	Fort Eustis .....	\$75,000,000
	Fort Lee .....	\$22,600,000
Washington .....	Fort Myer .....	\$20,800,000
	Fort Lewis .....	\$167,900,000
	Yakima Training Center .....	\$29,000,000

1           (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
2 appropriated pursuant to the authorization of appropri-  
3 ations in section 2104(a)(2), the Secretary of the Army may  
4 acquire real property and carry out military construction  
5 projects for the installations or locations outside the United  
6 States, and in the amounts, set forth in the following table:

**Army: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Afghanistan .....	Afghanistan .....	\$13,800,000
Bulgaria .....	Nevo Selo FOS .....	\$61,000,000
Germany .....	Grafenwoehr .....	\$62,000,000
Honduras .....	Various locations .....	\$2,550,000
Italy .....	Vicenza .....	\$173,000,000
Korea .....	Camp Humphreys .....	\$57,000,000
Romania .....	Various locations .....	\$12,600,000

7 **SEC. 2102. FAMILY HOUSING.**

8           (a) *CONSTRUCTION AND ACQUISITION.*—Using  
9 amounts appropriated pursuant to the authorization of ap-  
10 propriations in section 2104(a)(5)(A), the Secretary of the  
11 Army may construct or acquire family housing units (in-  
12 cluding land acquisition and supporting facilities) at the  
13 installations or locations, in the number of units, and in  
14 the amounts set forth in the following table:



1           (1) *For military construction projects inside the*  
2 *United States authorized by section 2101(a),*  
3 *\$3,222,500,000.*

4           (2) *For military construction projects outside the*  
5 *United States authorized by section 2101(b),*  
6 *\$381,950,000.*

7           (3) *For unspecified minor military construction*  
8 *projects authorized by section 2805 of title 10, United*  
9 *States Code, \$27,200,000.*

10          (4) *For architectural and engineering services*  
11 *and construction design under section 2807 of title*  
12 *10, United States Code, \$329,547,000.*

13          (5) *For military family housing functions:*

14                (A) *For construction and acquisition, plan-*  
15 *ning and design, and improvement of military*  
16 *family housing and facilities, \$424,400,000.*

17                (B) *For support of military family housing*  
18 *(including the functions described in section*  
19 *2833 of title 10, United States Code),*  
20 *\$731,920,000.*

21          (6) *For the construction of increment 2 of a bar-*  
22 *racks complex at Fort Lewis, Washington, authorized*  
23 *by section 2101(a) of the Military Construction Au-*  
24 *thorization Act for Fiscal Year 2007 (division B of*  
25 *Public Law 109–364; 120 Stat. 2445), as amended by*

1 *section 20814 of the Continuing Appropriations Reso-*  
2 *lution, 2007 (division B of Public Law 109–289), as*  
3 *added by section 2 of the Revised Continuing Appro-*  
4 *priations Resolution, 2007 (Public Law 110–5; 121*  
5 *Stat. 41), \$102,000,000.*

6 *(7) For the construction of increment 3 of a bar-*  
7 *racks complex at Fort Bragg, North Carolina, author-*  
8 *ized by section 2101(a) of the Military Construction*  
9 *Authorization Act for Fiscal Year 2006 (division B of*  
10 *Public Law 109–163; 119 Stat. 3485), \$47,400,000*

11 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*  
12 *PROJECTS.—Notwithstanding the cost variations author-*  
13 *ized by section 2853 of title 10, United States Code, and*  
14 *any other cost variation authorized by law, the total cost*  
15 *of all projects carried out under section 2101 of this Act*  
16 *may not exceed the sum of the following:*

17 *(1) The total amount authorized to be appro-*  
18 *priated under paragraphs (1) and (2) of subsection*  
19 *(a).*

20 *(2) \$46,000,000 (the balance of the amount au-*  
21 *thorized under section 2201(a) for construction of an*  
22 *operations complex at Eglin Air Force Base, Flor-*  
23 *ida).*

24 *(3) \$70,000,000 (the balance of the amount au-*  
25 *thorized under section 2201(a) for construction of the*

1 *United States Southern Command Headquarters,*  
 2 *Miami, Florida).*

3 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**  
 4 **CERTAIN FISCAL YEAR 2006 PROJECT.**

5 *(a) MODIFICATION.—The table in section 2101(a) of*  
 6 *the Military Construction Authorization Act for Fiscal Year*  
 7 *2006 (division B of Public Law 109–163; 119 Stat. 3485)*  
 8 *is amended in the item relating to Fort Bragg, North Caro-*  
 9 *lina, by striking “\$301,250,000” in the amount column and*  
 10 *inserting “\$308,250,000”.*

11 *(b) CONFORMING AMENDMENTS.—Section 2104(b)(5)*  
 12 *of that Act (119 Stat. 3488) is amended by striking*  
 13 *“\$77,400,000” and inserting “\$84,400,000”.*

14 **TITLE XXII—NAVY**

*Sec. 2201. Authorized Navy construction and land acquisition projects.*

*Sec. 2202. Family housing.*

*Sec. 2203. Improvements to military family housing units.*

*Sec. 2204. Authorization of appropriations, Navy.*

*Sec. 2205. Repeal of authorization for construction of Navy Outlying Landing  
 Field, Washington County, North Carolina.*

15 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND**  
 16 **ACQUISITION PROJECTS.**

17 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*  
 18 *propriated pursuant to the authorization of appropriations*  
 19 *in section 2204(a)(1), the Secretary of the Navy may ac-*  
 20 *quire real property and carry out military construction*  
 21 *projects for the installations or locations inside the United*  
 22 *States, and in the amounts, set forth in the following table:*

**Navy: Inside the United States**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Alaska .....	Outlying Field Evergreen .....	\$9,560,000
Arizona .....	Marine Corps Air Station, Yuma .....	\$33,720,000
California .....	Marine Corps Air Station, Miramar .....	\$26,760,000
	Marine Corps Base, Camp Pendleton .....	\$282,450,000
	Marine Corps Base, Twentynine Palms .....	\$142,619,000
	Naval Station, San Diego .....	\$23,630,000
Florida .....	Marine Corps Logistics Base, Blount Island .....	\$7,570,000
.....	Naval Surface Warfare Center, Panama City .....	\$13,870,000
	Naval Training Center, Corry Field .....	\$1,600,000
Hawaii .....	Marine Corps Air Station, Kaneohe .....	\$37,961,000
	Naval Base, Pearl Harbor .....	\$99,860,000
	Naval Station Pearl Harbor, Wahiawa .....	\$65,410,000
Illinois .....	Naval Training Center, Great Lakes .....	\$10,221,000
Maryland .....	Naval Air Warfare Center, Patuxent River .....	\$38,360,000
	Naval Surface Warfare Center, Indian Head .....	\$9,500,000
North Carolina	Marine Corps Air Station, Cherry Point .....	\$28,610,000
	Marine Corps Air Station, New River .....	\$58,630,000
	Marine Corps Base, Camp Lejeune .....	\$234,730,000
South Carolina	Marine Corps Air Station, Beaufort .....	\$10,300,000
	Marine Corps Recruit Depot, Parris Island .....	\$55,282,000
Texas .....	Naval Air Station, Corpus Christi .....	\$14,290,000
Virginia .....	Marine Corps Base, Quantico .....	\$50,519,000
	Naval Station, Norfolk .....	\$65,360,000
	Naval Support Activity, Chesapeake .....	\$8,450,000
	Naval Surface Warfare Center, Dahlgren .....	\$10,000,000
Washington .....	Naval Air Station, Whidbey Island .....	\$34,510,000
	Naval Station, Bremerton .....	\$119,760,000

1           (b) *OUTSIDE THE UNITED STATES*.—Using amounts  
2 appropriated pursuant to the authorization of appropria-  
3 tions in section 2204(a)(2), the Secretary of the Navy may  
4 acquire real property and carry out military construction  
5 projects for the installations or locations outside the United  
6 States, and in the amounts, set forth in the following table:

**Navy: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Bahrain .....	Southwest Asia .....	\$35,500,000
Diego Garcia .....	Naval Support Facility, Diego Garcia ...	\$7,150,000
Djibouti .....	Camp Lemonier .....	\$22,390,000
Guam .....	Naval Activities, Guam .....	\$278,818,000

7           (c) *UNSPECIFIED WORLDWIDE*.—Using amounts ap-  
8 propriated pursuant to the authorization of appropriations  
9 in section 2204(a)(3), the Secretary of the Navy may ac-

1 *quire real property and carry out military construction*  
 2 *projects for unspecified installations or locations in the*  
 3 *amount set forth in the following table:*

***Navy: Unspecified Worldwide***

<b><i>Location</i></b>	<b><i>Installation or Location</i></b>	<b><i>Amount</i></b>
<i>Worldwide Unspecified</i>	<i>Wharf Utilities Upgrade .....</i>	<i>\$8,900,000</i>
	<i>Host Nation Infrastructure .....</i>	<i>\$2,700,000</i>

4 ***SEC. 2202. FAMILY HOUSING.***

5       (a) *CONSTRUCTION AND ACQUISITION.*—Using  
 6 *amounts appropriated pursuant to the authorization of ap-*  
 7 *propriations in section 2204(a)(6)(A), the Secretary of the*  
 8 *Navy may construct or acquire family housing units (in-*  
 9 *cluding land acquisition and supporting facilities) at the*  
 10 *installations, in the number of units, and in the amounts*  
 11 *set forth in the following table:*

***Navy: Family Housing***

<b><i>Location</i></b>	<b><i>Installation</i></b>	<b><i>Units</i></b>	<b><i>Amount</i></b>
<i>Mariana Islands .....</i>	<i>Naval Activities, Guam .....</i>	<i>73 .....</i>	<i>\$57,167,000</i>

12       (b) *PLANNING AND DESIGN.*—Using amounts appro-  
 13 *priated pursuant to the authorization of appropriations in*  
 14 *section 2204(a)(6)(A), the Secretary of the Navy may carry*  
 15 *out architectural and engineering services and construction*  
 16 *design activities with respect to the construction or im-*  
 17 *provement of military family housing units in an amount*  
 18 *not to exceed \$3,172,000.*

1 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
2 **UNITS.**

3 *Subject to section 2825 of title 10, United States Code,*  
4 *and using amounts appropriated pursuant to the author-*  
5 *ization of appropriations in section 2204(a)(6)(A), the Sec-*  
6 *retary of the Navy may improve existing military family*  
7 *housing units in an amount not to exceed \$237,990,000.*

8 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

9 *(a) IN GENERAL.—Funds are hereby authorized to be*  
10 *appropriated for fiscal years beginning after September 30,*  
11 *2007, for military construction, land acquisition, and mili-*  
12 *tary family housing functions of the Department of the*  
13 *Navy in the total amount of \$2,804,429,000, as follows:*

14 *(1) For military construction projects inside the*  
15 *United States authorized by section 2201(a),*  
16 *\$1,493,532,000.*

17 *(2) For military construction projects outside the*  
18 *United States authorized by section 2201(b),*  
19 *\$343,858,000.*

20 *(3) For military construction projects at unspec-*  
21 *ified worldwide locations authorized by section*  
22 *2201(c), \$11,600,000.*

23 *(4) For unspecified minor military construction*  
24 *projects authorized by section 2805 of title 10, United*  
25 *States Code, \$10,000,000.*

1           (5) *For architectural and engineering services*  
2 *and construction design under section 2807 of title*  
3 *10, United States Code, \$111,067,000.*

4           (6) *For military family housing functions:*

5                 (A) *For construction and acquisition, plan-*  
6 *ning and design, and improvement of military*  
7 *family housing and facilities, \$298,329,000.*

8                 (B) *For support of military family housing*  
9 *(including functions described in section 2833 of*  
10 *title 10, United States Code), \$371,404,000.*

11           (7) *For the construction of increment 2 of the*  
12 *construction of an addition to the National Maritime*  
13 *Intelligence Center, Suitland, Maryland, authorized*  
14 *by section 2201(a) of the Military Construction Au-*  
15 *thorization Act for Fiscal Year 2007 (division B of*  
16 *Public Law 109–364; 120 Stat. 2448), \$52,069,000.*

17           (8) *For the construction of increment 3 of recruit*  
18 *training barracks infrastructure upgrade at Recruit*  
19 *Training Command, Great Lakes, Illinois, authorized*  
20 *by section 2201(a) of the Military Construction Au-*  
21 *thorization Act for Fiscal Year 2006 (division B of*  
22 *Public Law 109–163; 119 Stat. 3490), \$16,650,000.*

23           (9) *For the construction of increment 3 of wharf*  
24 *upgrades at Yokosuka, Japan, authorized by section*  
25 *2201(b) of the Military Construction Authorization*

1 *Act of Fiscal Year 2006 (division B of Public Law*  
2 *109–163; 119 Stat. 3490), \$8,750,000.*

3 *(10) For the construction of increment 2 of the*  
4 *Bachelor Enlisted Quarters Homeport Ashore Pro-*  
5 *gram at Bremerton, Washington (formerly referred to*  
6 *as a project at Naval Station, Everett), authorized by*  
7 *section 2201(a) of the Military Construction Author-*  
8 *ization Act of Fiscal Year 2006 (division B of Public*  
9 *Law 109–163; 119 Stat.3490), \$47,240,000.*

10 *(11) For the construction of increment 4 of the*  
11 *limited area production and storage complex at Naval*  
12 *Submarine Base, Kitsap, Bangor, Washington (for-*  
13 *merly referred to as a project at the Strategic Weap-*  
14 *ons Facility Pacific, Bangor), authorized by section*  
15 *2201(a) of the Military Construction Authorization*  
16 *Act of Fiscal Year 2005 (division B of Public Law*  
17 *108–375; 118 Stat. 2105), as amended by section*  
18 *2206 of the Military Construction Authorization Act*  
19 *for Fiscal Year 2006 (division B of Public Law 109–*  
20 *163; 119 Stat. 3493), \$39,750,000.*

21 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*  
22 *PROJECTS.—Notwithstanding the cost variations author-*  
23 *ized by section 2853 of title 10, United States Code, and*  
24 *any other cost variation authorized by law, the total cost*

1 of all projects carried out under section 2201 of this Act  
2 may not exceed the sum of the following:

3 (1) The total amount authorized to be appro-  
4 priated under paragraphs (1), (2), and (3) of sub-  
5 section (a).

6 (2) \$50,000,000 (the balance of the amount au-  
7 thorized under section 2201(b) for construction of a  
8 wharf extension in Apra Harbor, Guam.

9 **SEC. 2205. REPEAL OF AUTHORIZATION FOR CONSTRUC-**  
10 **TION OF NAVY OUTLYING LANDING FIELD,**  
11 **WASHINGTON COUNTY, NORTH CAROLINA.**

12 (a) *REPEAL OF AUTHORIZATION.*—The table in section  
13 2201(a) of the Military Construction Authorization Act for  
14 Fiscal Year 2004 (division B of Public Law 108–136; 117  
15 Stat. 1704) is amended by striking the item relating to  
16 Navy Outlying Landing Field, Washington County, North  
17 Carolina, as added by section 2205(a) of the Military Con-  
18 struction Authorization Act for Fiscal Year 2007 (division  
19 B of Public Law 109–364; 120 Stat. 2452).

20 (b) *REPEAL OF INCREMENTAL FUNDING AUTHOR-*  
21 *ITY.*—Section 2204(b) of that Act (117 Stat. 1706) is  
22 amended by striking paragraph (6).

23 (c) *EFFECT OF REPEAL.*—The amendments made by  
24 this section do not affect the expenditure of funds obligated,  
25 before the effective date of this title, for the construction of

1 *the Navy Outlying Landing Field, Washington County,*  
 2 *North Carolina, or the acquisition of real property to facili-*  
 3 *tate such construction.*

## 4 **TITLE XXIII—AIR FORCE**

*Sec. 2301. Authorized Air Force construction and land acquisition projects.*

*Sec. 2302. Family housing.*

*Sec. 2303. Improvements to military family housing units.*

*Sec. 2304. Authorization of appropriations, Air Force.*

*Sec. 2305. Modification of authority to carry out certain fiscal year 2006 project.*

### 5 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND** 6 **LAND ACQUISITION PROJECTS.**

7 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*  
 8 *propriated pursuant to the authorization of appropriations*  
 9 *in section 2304(a)(1), the Secretary of the Air Force may*  
 10 *acquire real property and carry out military construction*  
 11 *projects for the installations or locations inside the United*  
 12 *States, and in the amounts, set forth in the following table:*

#### ***Air Force: Inside the United States***

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Alaska</i> .....	<i>Elmendorf Air Force Base</i> .....	<i>\$70,180,000</i>
<i>Arizona</i> .....	<i>Davis-Monthan Air Force Base</i> .....	<i>\$11,200,000</i>
	<i>Kirtland Air Force Base</i> .....	<i>\$3,700,000</i>
	<i>Luke Air Force Base</i> .....	<i>\$5,500,000</i>
<i>Arkansas</i> .....	<i>Little Rock Air Force Base</i> .....	<i>\$9,800,000</i>
<i>California</i> .....	<i>Edwards Air Force Base</i> .....	<i>\$8,500,000</i>
	<i>Travis Air Force Base</i> .....	<i>\$37,400,000</i>
<i>Colorado</i> .....	<i>Fort Carson</i> .....	<i>\$13,500,000</i>
	<i>Schriever Air Force Base</i> .....	<i>\$24,500,000</i>
	<i>United States Air Force Academy</i> .....	<i>\$15,000,000</i>
<i>District of Columbia</i>	<i>Bolling Air Force Base</i> .....	<i>\$2,500,000</i>
<i>Florida</i> .....	<i>Eglin Air Force Base</i> .....	<i>\$158,300,000</i>
	<i>MacDill Air Force Base</i> .....	<i>\$60,500,000</i>
	<i>Patrick Air Force Base</i> .....	<i>\$11,854,000</i>
	<i>Tyndall Air Force Base</i> .....	<i>\$44,114,000</i>
<i>Georgia</i> .....	<i>Robins Air Force Base</i> .....	<i>\$19,700,000</i>
<i>Hawaii</i> .....	<i>Hickam Air Force Base</i> .....	<i>\$31,971,000</i>
<i>Illinois</i> .....	<i>Scott Air Force Base</i> .....	<i>\$16,700,000</i>
<i>Kansas</i> .....	<i>Fort Riley</i> .....	<i>\$12,515,000</i>
<i>Missouri</i> .....	<i>Whiteman Air Force Base</i> .....	<i>\$11,400,000</i>
<i>Nebraska</i> .....	<i>Offutt Air Force Base</i> .....	<i>\$16,952,000</i>
<i>New Mexico</i> .....	<i>Cannon Air Force Base</i> .....	<i>\$1,688,000</i>
<i>North Dakota</i> .....	<i>Minot Air Force Base</i> .....	<i>\$18,200,000</i>
<i>Oklahoma</i> .....	<i>Altus Air Force Base</i> .....	<i>\$2,000,000</i>

**Air Force: Inside the United States—Continued**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
South Carolina .....	Tinker Air Force Base .....	\$34,600,000
	Shaw Air Force Base .....	\$9,300,000
Texas .....	Lackland Air Force Base .....	\$14,000,000
	Shepard Air Force Base .....	\$7,000,000
Utah .....	Hill Air Force Base .....	\$16,799,000
Washington .....	Fairchild Air Force Base .....	\$6,200,000
Wyoming .....	Francis E. Warren Air Force Base .....	\$14,600,000

1           (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
2 appropriated pursuant to the authorization of appropria-  
3 tions in section 2304(a)(2), the Secretary of the Air Force  
4 may acquire real property and carry out military construc-  
5 tion projects for the installations or locations outside the  
6 United States, and in the amounts, set forth in the following  
7 table:

**Air Force: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Germany .....	Ramstein Air Base .....	\$48,209,000
Guam .....	Andersen Air Force Base .....	\$15,800,000
Qatar .....	Al Udeid Air Base .....	\$22,300,000
Spain .....	Moron Air Base .....	\$1,800,000
United Kingdom .....	Royal Air Force Lakenheath .....	\$17,300,000
	Royal Air Force Menwith Hill Station ...	\$41,000,000

8           (c) *UNSPECIFIED WORLDWIDE.*—Using amounts ap-  
9 propriated pursuant to the authorization of appropriations  
10 in section 2304(a)(3), the Secretary of the Air Force may  
11 acquire real property and carry out military construction  
12 projects for unspecified installations or locations in the  
13 amount set forth in the following table:

**Air Force: Unspecified Worldwide**

<b>Location</b>	<b>Installation or Location</b>	<b>Amount</b>
Worldwide Classified .....	Classified Project .....	\$1,500,000
	Classified-Special Evaluation Program ..	\$13,940,000

1 **SEC. 2302. FAMILY HOUSING.**

2 (a) *CONSTRUCTION AND ACQUISITION.*—Using  
 3 amounts appropriated pursuant to the authorization of ap-  
 4 propriations in section 2304(a)(6)(A), the Secretary of the  
 5 Air Force may construct or acquire family housing units  
 6 (including land acquisition and supporting facilities) at  
 7 the installations or locations, in the number of units, and  
 8 in the amounts set forth in the following table:

**Air Force: Family Housing**

<b>State or Country</b>	<b>Installation or Location</b>	<b>Units</b>	<b>Amount</b>
Germany .....	Ramstein Air Base .....	117 ...	\$56,275,000

9 (b) *PLANNING AND DESIGN.*—Using amounts appro-  
 10 priated pursuant to the authorization of appropriations in  
 11 section 2304(a)(6)(A), the Secretary of the Air Force may  
 12 carry out architectural and engineering services and con-  
 13 struction design activities with respect to the construction  
 14 or improvement of military family housing units in an  
 15 amount not to exceed \$12,210,000.

16 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
 17 **UNITS.**

18 Subject to section 2825 of title 10, United States Code,  
 19 and using amounts appropriated pursuant to the author-  
 20 ization of appropriations in section 2304(a)(6)(A), the Sec-  
 21 retary of the Air Force may improve existing military fam-  
 22 ily housing units in an amount not to exceed \$294,262,000.

1 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**  
2 **FORCE.**

3 *Funds are hereby authorized to be appropriated for fis-*  
4 *cal years beginning after September 30, 2007, for military*  
5 *construction, land acquisition, and military family housing*  
6 *functions of the Department of the Air Force in the total*  
7 *amount of \$2,120,191,000, as follows:*

8 (1) *For military construction projects inside the*  
9 *United States authorized by section 2301(a),*  
10 *\$770,173,000.*

11 (2) *For military construction projects outside the*  
12 *United States authorized by section 2301(b),*  
13 *\$146,409,000.*

14 (3) *For the military construction projects at un-*  
15 *specified worldwide locations authorized by section*  
16 *2301(c), \$15,440,000.*

17 (4) *For unspecified minor military construction*  
18 *projects authorized by section 2805 of title 10, United*  
19 *States Code, \$15,000,000.*

20 (5) *For architectural and engineering services*  
21 *and construction design under section 2807 of title*  
22 *10, United States Code, \$62,087,000.*

23 (6) *For military family housing functions:*

24 (A) *For construction and acquisition, plan-*  
25 *ning and design, and improvement of military*  
26 *family housing and facilities, \$362,747,000.*



1 *Authorization Act for Fiscal Year 2007 (division B of Pub-*  
 2 *lic Law 109–364; 120 Stat. 2456), is further amended in*  
 3 *the item relating to MacDill Air Force Base, Florida, by*  
 4 *striking “\$101,500,000” in the amount column and insert-*  
 5 *ing “\$126,500,000”.*

6 (b) *CONFORMING AMENDMENT.—Section 2304(b)(4) of*  
 7 *the Military Construction Authorization Act for Fiscal Year*  
 8 *2006 (division B of Public Law 109–163; 119 Stat. 3496),*  
 9 *as amended by section 2305(b) of the Military Construction*  
 10 *Authorization Act for Fiscal Year 2007 (division B of Pub-*  
 11 *lic Law 109–364; 120 Stat. 2456), is further amended is*  
 12 *amended by striking “\$23,300,000” and inserting*  
 13 *“\$48,300,000”.*

14 **TITLE XXIV—DEFENSE**  
 15 **AGENCIES**

*Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.*

*Sec. 2402. Energy conservation projects.*

*Sec. 2403. Authorized base closure and realignment activities funded through Department of Defense Base Closure Account 2005.*

*Sec. 2404. Authorization of appropriations, Defense Agencies.*

16 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**  
 17 **TION AND LAND ACQUISITION PROJECTS.**

18 (a) *INSIDE THE UNITED STATES.—Using amounts ap-*  
 19 *propriated pursuant to the authorization of appropriations*  
 20 *in section 2404(a)(1), the Secretary of Defense may acquire*  
 21 *real property and carry out military construction projects*

- 1 for the installations or locations inside the United States,  
 2 and in the amounts, set forth in the following tables:

**Defense Education Activity**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
North Carolina	Marine Corps Base, Camp Lejeune .....	\$2,014,000

**Defense Intelligence Agency**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
District of Columbia ...	Bolling Air Force Base .....	\$1,012,000

**Defense Logistics Agency**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
California .....	Port Loma Annex .....	\$140,000,000
Florida .....	Naval Air Station, Key West .....	\$1,874,000
Hawaii .....	Hickam Air Force Base .....	\$26,000,000
New Mexico .....	Kirtland Air Force Base .....	\$1,800,000
Ohio .....	Defense Supply Center Columbus .....	\$4,000,000
Pennsylvania ...	Defense Distribution Depot, New Cumberland .....	\$21,000,000
Virginia .....	Fort Belvoir .....	\$5,000,000

**National Security Agency**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Maryland .....	Fort Meade .....	\$11,901,000

**Special Operations Command**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
California .....	Marine Corps Base, Camp Pendleton .....	\$20,030,000
	Naval Amphibious Base, Coronado .....	\$12,000,000
Florida .....	Hurlburt Field .....	\$29,111,000
	MacDill Air Force Base .....	\$47,700,000
Georgia .....	Fort Benning .....	\$35,000,000
	Hunter Army Air Field .....	\$13,800,000
Kentucky .....	Fort Campbell .....	\$53,500,000
New Mexico .....	Cannon Air Force Base .....	\$7,500,000
North Carolina	Fort Bragg .....	\$47,250,000
	Marine Corps Base, Camp Lejeune .....	\$28,210,000
Virginia .....	Dam Neck .....	\$113,800,000
	Naval Amphibious Base, Little Creek .....	\$99,000,000
Washington .....	Fort Lewis .....	\$77,000,000

**TRICARE Management Activity**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Florida .....	MacDill Air Force Base .....	\$5,000,000
Illinois .....	Naval Hospital, Great Lakes .....	\$99,000,000
New York .....	Fort Drum .....	\$41,000,000
Texas .....	Camp Bullis .....	\$7,400,000
Virginia .....	Naval Station, Norfolk .....	\$6,450,000

**TRICARE Management Activity—Continued**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Washington .....	Fort Lewis .....	\$21,000,000

**Washington Headquarters Services**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Virginia .....	Pentagon Reservation .....	\$18,531,000

1       (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
2       appropriated pursuant to the authorization of appropria-  
3       tions in section 2404(a)(2), the Secretary of Defense may  
4       acquire real property and carry out military construction  
5       projects for the installations or locations outside the United  
6       States, and in the amounts, set forth in the following tables:

**Defense Education Activity**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Belgium .....	Sterrebeek .....	\$5,992,000
Germany .....	Ramstein Air Base .....	\$5,393,000
	Wiesbaden Air Base .....	\$20,472,000

**Special Operations Command**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Bahrain .....	Southwest Asia .....	\$19,000,000
Qatar .....	Al Udeid AB .....	\$52,852,000

**TRICARE Management Activity**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Germany .....	Spangdahlem Air Base .....	\$30,100,000

7       (c) *UNSPECIFIED WORLDWIDE.*—Using the amounts  
8       appropriated pursuant to the authorization of appropria-  
9       tions in section 2404(a)(3), the Secretary of Defense may  
10      acquire real property and carry out military construction

1 *projects for unspecified installations or locations in the*  
 2 *amount set forth in the following table:*

***Defense Agencies: Unspecified Worldwide***

<b><i>Location</i></b>	<b><i>Installation or Location</i></b>	<b><i>Amount</i></b>
<i>Worldwide Classified</i>	<i>Classified Project .....</i>	<i>\$1,887,000</i>

3 ***SEC. 2402. ENERGY CONSERVATION PROJECTS.***

4 *Using amounts appropriated pursuant to the author-*  
 5 *ization of appropriations in section 2404(a)(7), the Sec-*  
 6 *retary of Defense may carry out energy conservation*  
 7 *projects under chapter 173 of title 10, United States Code,*  
 8 *in the amount of \$70,000,000.*

9 ***SEC. 2403. AUTHORIZED BASE CLOSURE AND REALIGN-***  
 10 ***MENT ACTIVITIES FUNDED THROUGH DE-***  
 11 ***PARTMENT OF DEFENSE BASE CLOSURE AC-***  
 12 ***COUNT 2005.***

13 *Using amounts appropriated pursuant to the author-*  
 14 *ization of appropriations in section 2404(a)(9), the Sec-*  
 15 *retary of Defense may carry out base closure and realign-*  
 16 *ment activities, including real property acquisition and*  
 17 *military construction projects, as authorized by the Defense*  
 18 *Base Closure and Realignment Act of 1990 (part A of title*  
 19 *XXIX of Public Law 101–510; 10 U.S.C. 2687 note) and*  
 20 *funded through the Department of Defense Base Closure Ac-*  
 21 *count 2005 established by section 2906A of such Act, in the*  
 22 *amount of \$8,174,315,000.*

1 **SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**  
2 **AGENCIES.**

3 (a) *IN GENERAL.*—Funds are hereby authorized to be  
4 appropriated for fiscal years beginning after September 30,  
5 2007, for military construction, land acquisition, and mili-  
6 tary family housing functions of the Department of Defense  
7 (other than the military departments) in the total amount  
8 of \$10,436,164,000, as follows:

9 (1) *For military construction projects inside the*  
10 *United States authorized by section 2401(a),*  
11 *\$996,883,000.*

12 (2) *For military construction projects outside the*  
13 *United States authorized by section 2401(b),*  
14 *\$133,809,000.*

15 (3) *For the military construction projects at un-*  
16 *specified worldwide locations authorized by section*  
17 *2301(c), \$1,887,000.*

18 (4) *For unspecified minor military construction*  
19 *projects under section 2805 of title 10, United States*  
20 *Code, \$23,711,000.*

21 (5) *For contingency construction projects of the*  
22 *Secretary of Defense under section 2804 of title 10,*  
23 *United States Code, \$10,000,000.*

24 (6) *For architectural and engineering services*  
25 *and construction design under section 2807 of title*  
26 *10, United States Code, \$147,328,000.*

1           (7) *For energy conservation projects authorized*  
2 *by section 2402 of this Act, \$70,000,000.*

3           (8) *For base closure and realignment activities*  
4 *as authorized by the Defense Base Closure and Re-*  
5 *alignment Act of 1990 (part A of title XXIX of Public*  
6 *Law 101–510; 10 U.S.C. 2687 note) and funded*  
7 *through the Department of Defense Base Closure Ac-*  
8 *count 1990 established by section 2906 of such Act,*  
9 *\$230,689,000.*

10          (9) *For base closure and realignment activities*  
11 *authorized by section 2403 of this Act and funded*  
12 *through the Department of Defense Base Closure Ac-*  
13 *count 2005 established by section 2906A of the De-*  
14 *fense Base Closure and Realignment Act of 1990*  
15 *(part A of title XXIX of Public Law 101–510; 10*  
16 *U.S.C. 2687 note), \$8,174,315,000.*

17          (10) *For military family housing functions:*

18               (A) *For support of military family housing*  
19 *(including functions described in section 2833 of*  
20 *title 10, United States Code), \$48,848,000.*

21               (B) *For credit to the Department of Defense*  
22 *Family Housing Improvement Fund established*  
23 *by section 2883(a)(1) of title 10, United States*  
24 *Code, \$500,000.*

1           (11) *For the construction of increment 2 of the*  
2 *health clinic replacement at MacDill Air Force Base,*  
3 *Florida, authorized by section 2401(a) of the Military*  
4 *Construction Authorization Act of Fiscal Year 2007*  
5 *(division B of Public Law 109–364; 120 Stat. 2457),*  
6 *\$41,400,000.*

7           (12) *For the construction of increment 2 of the*  
8 *replacement of the Army Medical Research Institute*  
9 *of Infectious Diseases at Fort Detrick, Maryland, au-*  
10 *thorized by section 2401(a) of the Military Construc-*  
11 *tion Authorization Act of Fiscal Year 2007 (division*  
12 *B of Public Law 109–364; 120 Stat. 2457),*  
13 *\$150,000,000.*

14           (13) *For the construction of increment 3 of the*  
15 *regional security operations center at Augusta, Geor-*  
16 *gia, authorized by section 2401(a) of the Military*  
17 *Construction Authorization Act of Fiscal Year 2006*  
18 *(division B of Public Law 109–163; 119 Stat. 3497),*  
19 *as amended by section 7016 of Public Law 109–234*  
20 *(120 Stat. 485), \$100,000,000.*

21           (14) *For the construction of increment 3 of the*  
22 *regional security operations center at Kunia, Hawaii,*  
23 *authorized by section 2401(a) of the Military Con-*  
24 *struction Authorization Act of Fiscal Year 2006 (divi-*  
25 *sion B of Public Law 109–163; 119 Stat. 3497), as*

1        *amended by section 7017 of Public Law 109–234 (120*  
2        *Stat. 485), \$136,318,000.*

3            *(15) For the construction of increment 8 of a*  
4        *munitions demilitarization facility at Blue Grass*  
5        *Army Depot, Kentucky, authorized by section 2401(a)*  
6        *of the Military Construction Authorization Act for*  
7        *Fiscal Year 2000 (division B of Public Law 106–65;*  
8        *113 Stat. 835), as amended by section 2405 of the*  
9        *Military Construction Authorization Act for Fiscal*  
10       *Year 2002 (division B of Public Law 107–107; 115*  
11       *Stat. 1298) and section 2405 of the Military Con-*  
12       *struction Authorization Act for Fiscal Year 2003 (di-*  
13       *vision B of Public Law 107–314; 116 Stat. 2698),*  
14       *\$51,017,000.*

15           *(16) For the construction of increment 9 of a*  
16       *munitions demilitarization facility at Pueblo Chem-*  
17       *ical Activity, Colorado, authorized by section 2401(a)*  
18       *of the Military Construction Authorization Act for*  
19       *Fiscal Year 1997 (division B of Public Law 104–201;*  
20       *110 Stat. 2775), as amended by section 2406 of the*  
21       *Military Construction Authorization Act for Fiscal*  
22       *Year 2000 (division B of Public Law 106–65; 113*  
23       *Stat. 839) and section 2407 of the Military Construc-*  
24       *tion Authorization Act for Fiscal Year 2003 (division*

1 *B of Public Law 107–314; 116 Stat. 2698),*  
 2 *\$35,159,000.*

3 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*  
 4 *PROJECTS.—Notwithstanding the cost variations author-*  
 5 *ized by section 2853 of title 10, United States Code, and*  
 6 *any other cost variation authorized by law, the total cost*  
 7 *of all projects carried out under section 2401 of this Act*  
 8 *may not exceed the sum of the following:*

9 *(1) The total amount authorized to be appro-*  
 10 *propriated under paragraphs (1), (2), and (3) of sub-*  
 11 *section (a).*

12 *(2) \$84,300,000 (the balance of the amount au-*  
 13 *thorized for the Defense Logistics Agency under sec-*  
 14 *tion 2401(a) for the replacement of fuel storage facili-*  
 15 *ties, Point Loma Annex, California).*

16 **TITLE XXV—NORTH ATLANTIC**  
 17 **TREATY ORGANIZATION SE-**  
 18 **CURITY INVESTMENT PRO-**  
 19 **GRAM**

*Sec. 2501. Authorized NATO construction and land acquisition projects.*

*Sec. 2502. Authorization of appropriations, NATO.*

20 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**  
 21 **ACQUISITION PROJECTS.**

22 *The Secretary of Defense may make contributions for*  
 23 *the North Atlantic Treaty Organization Security Invest-*  
 24 *ment Program as provided in section 2806 of title 10,*

1 *United States Code, in an amount not to exceed the sum*  
 2 *of the amount authorized to be appropriated for this pur-*  
 3 *pose in section 2502 and the amount collected from the*  
 4 *North Atlantic Treaty Organization as a result of construc-*  
 5 *tion previously financed by the United States.*

6 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

7 *Funds are hereby authorized to be appropriated for fis-*  
 8 *cal years beginning after September 30, 2007, for contribu-*  
 9 *tions by the Secretary of Defense under section 2806 of title*  
 10 *10, United States Code, for the share of the United States*  
 11 *of the cost of projects for the North Atlantic Treaty Organi-*  
 12 *zation Security Investment Program authorized by section*  
 13 *2501, in the amount of \$201,400,000.*

14 **TITLE XXVI—GUARD AND**  
 15 **RESERVE FORCES FACILITIES**

*Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.*

16 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**  
 17 **TION AND LAND ACQUISITION PROJECTS.**

18 *Funds are hereby authorized to be appropriated for fis-*  
 19 *cal years beginning after September 30, 2007, for the costs*  
 20 *of acquisition, architectural and engineering services, and*  
 21 *construction of facilities for the reserve components, and for*  
 22 *contributions therefor, under chapter 1803 of title 10,*  
 23 *United States Code (including the cost of acquisition of*  
 24 *land for those facilities), in the following amounts:*

- 1           (1) *For the Department of the Army—*  
 2                 (A) *for the Army National Guard of the*  
 3                 *United States, \$425,891,000; and*  
 4                 (B) *for the Army Reserve, \$133,084,000.*
- 5           (2) *For the Department of the Navy, for the*  
 6           *Navy Reserve and Marine Corps Reserve,*  
 7           *\$59,950,000.*
- 8           (3) *For the Department of the Air Force—*  
 9                 (A) *for the Air National Guard of the*  
 10                *United States, \$111,717,000; and*  
 11                (B) *for the Air Force Reserve, \$27,559,000.*

12 **TITLE XXVII—EXPIRATION AND**  
 13 **EXTENSION OF AUTHORIZA-**  
 14 **TIONS**

*Sec. 2701. Expiration of authorizations and amounts required to be specified by law.*

*Sec. 2702. Extension of authorizations of certain fiscal year 2005 projects.*

*Sec. 2703. Extension of authorizations of certain fiscal year 2004 projects.*

*Sec. 2704. Effective date.*

15 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**  
 16 **AMOUNTS REQUIRED TO BE SPECIFIED BY**  
 17 **LAW.**

18           (a) *EXPIRATION OF AUTHORIZATIONS AFTER THREE*  
 19 *YEARS.—Except as provided in subsection (b), all author-*  
 20 *izations contained in titles XXI through XXVI for military*  
 21 *construction projects, land acquisition, family housing*  
 22 *projects and facilities, and contributions to the North At-*  
 23 *lantic Treaty Organization Security Investment Program*

1 *(and authorizations of appropriations therefor) shall expire*  
2 *on the later of—*

3 *(1) October 1, 2010; or*

4 *(2) the date of the enactment of an Act author-*  
5 *izing funds for military construction for fiscal year*  
6 *2011.*

7 *(b) EXCEPTION.—Subsection (a) shall not apply to au-*  
8 *thorizations for military construction projects, land acqui-*  
9 *sition, family housing projects and facilities, and contribu-*  
10 *tions to the North Atlantic Treaty Organization Security*  
11 *Investment Program (and authorizations of appropriations*  
12 *therefor), for which appropriated funds have been obligated*  
13 *before the later of—*

14 *(1) October 1, 2010; or*

15 *(2) the date of the enactment of an Act author-*  
16 *izing funds for fiscal year 2011 for military construc-*  
17 *tion projects, land acquisition, family housing*  
18 *projects and facilities, or contributions to the North*  
19 *Atlantic Treaty Organization Security Investment*  
20 *Program.*

21 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**  
22 **FISCAL YEAR 2005 PROJECTS.**

23 *(a) EXTENSION AND RENEWAL.—Notwithstanding sec-*  
24 *tion 2701 of the Military Construction Authorization Act*  
25 *for Fiscal Year 2005 (division B of Public Law 108-375;*

1 118 Stat. 2116), authorizations set forth in the tables in  
 2 subsection (b), as provided in section 2101, 2302, 2401, or  
 3 2601 of that Act, shall remain in effect until October 1,  
 4 2008, or the date of the enactment of an Act authorizing  
 5 funds for military construction for fiscal year 2009, which-  
 6 ever is later.

7 (b) TABLES.—The tables referred to in subsection (a)  
 8 are as follows:

**Army: Extension of 2005 Project Authorization**

<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
<i>Schofield Barracks, Hawaii .....</i>	<i>Training facility .....</i>	<i>\$35,542,000</i>

**Air Force: Extension of 2005 Project Authorizations**

<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
<i>Davis-Monthan Air Force Base, Arizona.</i>	<i>Family housing (250 units) ....</i>	<i>\$48,500,000</i>
<i>Vandenberg Air Force Base, California.</i>	<i>Family housing (120 units) ....</i>	<i>\$30,906,000</i>
<i>MacDill Air Force Base, Florida .....</i>	<i>Family housing (61 units) .....</i>	<i>\$21,723,000</i>
<i>.....</i>	<i>Housing maintenance facility</i>	<i>\$1,250,000</i>
<i>Whiteman Air Force Base, Missouri ..</i>	<i>Family housing (160 units) ....</i>	<i>\$37,087,000</i>
<i>Seymour Johnson Air Force Base, North Carolina.</i>	<i>Family housing (167 units) ....</i>	<i>\$32,693,000</i>
<i>Goodfellow Air Force Base, Texas .....</i>	<i>Family housing (127 units) ....</i>	<i>\$20,604,000</i>

**Defense Wide: Extension of 2005 Project Authorizations**

<b>Installation or Location</b>	<b>Agency and Project</b>	<b>Amount</b>
<i>Naval Air Station, Oceana, Virginia .....</i>	<i>DLA bulk fuel storage tank</i>	<i>\$3,589,000</i>
<i>Naval Air Station, Jacksonville, Florida</i>	<i>TMA hospital project .....</i>	<i>\$28,438,000</i>

**Army National Guard: Extension of 2005 Project Authorizations**

<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
<i>Dublin, California .....</i>	<i>Readiness center .....</i>	<i>\$11,318,000</i>
<i>Gary, Indiana .....</i>	<i>Reserve center .....</i>	<i>\$9,380,000</i>

**Army Reserve: Extension of 2005 Project Authorization**

<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
<i>Corpus Christi (Robstown), Texas .....</i>	<i>Storage facility .....</i>	<i>\$9,038,000</i>

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**  
 2 **FISCAL YEAR 2004 PROJECTS.**

3 (a) *EXTENSION.*—Notwithstanding section 2701 of the  
 4 *Military Construction Authorization Act for Fiscal Year*  
 5 *2004 (division B of Public Law 108–136; 117 Stat. 1716),*  
 6 *authorizations set forth in the tables in subsection (b), as*  
 7 *provided in section 2302 or 2601 of that Act and extended*  
 8 *by section 2702 of the Military Construction Authorization*  
 9 *Act for Fiscal Year 2007 (division B of Public Law 109–*  
 10 *364; 120 Stat. 2464), shall remain in effect until October*  
 11 *1, 2008, or the date of the enactment of an Act authorizing*  
 12 *funds for military construction for fiscal year 2009, which-*  
 13 *ever is later.*

14 (b) *TABLES.*—The table referred to in subsection (a)  
 15 is as follows:

***Air Force: Extension of 2004 Project Authorizations***

<b><i>Installation or Location</i></b>	<b><i>Project</i></b>	<b><i>Amount</i></b>
<i>Travis Air Force Base, California .....</i>	<i>Family housing (56 units) .....</i>	<i>\$12,723,000</i>
<i>Eglin Air Force Base, Florida .....</i>	<i>Family housing (279 units) ....</i>	<i>\$32,166,000</i>

***Army National Guard: Extension of 2004 Project Authorizations***

<b><i>Installation or Location</i></b>	<b><i>Project</i></b>	<b><i>Amount</i></b>
<i>Albuquerque, New Mexico .....</i>	<i>Readiness center .....</i>	<i>\$2,533,000</i>
<i>Fort Indiantown Gap, Pennsylvania .....</i>	<i>Multi-purpose training range .....</i>	<i>\$15,338,000</i>

16 **SEC. 2704. EFFECTIVE DATE.**

17 *Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of*  
 18 *this Act shall take effect on the later of—*

19 (1) *October 1, 2007; or*

1           (2) *the date of the enactment of this Act.*

2 **TITLE XXVIII—MILITARY CON-**  
 3 **STRUCTION GENERAL PROVI-**  
 4 **SIONS**

*Subtitle A—Military Construction Program and Military Family Housing Changes*

- Sec. 2801. Temporary authority to support revitalization of Department of Defense laboratories through unspecified minor military construction projects.*
- Sec. 2802. Increased threshold for congressional notification of leases for military family housing facilities in foreign countries.*
- Sec. 2803. Limitation on use of alternative authority for acquisition and improvement of military housing for privatization of temporary lodging facilities.*
- Sec. 2804. Expansion of authority to exchange reserve component facilities.*
- Sec. 2805. Extension of authority to accept cash equalization payments for reserve component facility exchanges.*
- Sec. 2806. Authority to use operation and maintenance funds for construction projects outside the United States.*

*Subtitle B—Real Property and Facilities Administration*

- Sec. 2811. Continued consolidation of real property provisions without substantive change.*
- Sec. 2812. Cooperative agreement authority for management of cultural resources on certain sites outside military installations.*
- Sec. 2813. Agreements to limit encroachments and other constraints on military training, testing, and operations.*
- Sec. 2814. Expansion to all military departments of Army pilot program for purchase of certain municipal services for military installations.*
- Sec. 2815. Retention of proceeds from enhanced use leases at Selfridge Air National Guard Base.*
- Sec. 2816. Prohibition on commercial flights into Selfridge Air National Guard Base.*

*Subtitle C—Base Closure and Realignment*

- Sec. 2821. Transfer of funds from Department of Defense Base Closure Account 2005 to Department of Defense Housing Funds.*

*Subtitle D—Land Conveyances*

- Sec. 2831. Conditions on acquisition of land for expansion of Pinon Canyon Maneuver Site, Colorado.*
- Sec. 2832. Grant of easement, Eglin Air Force Base, Florida.*
- Sec. 2833. Land conveyance, Lynn Haven Fuel Depot, Lynn Haven, Florida.*
- Sec. 2834. Additional conditions on lease of property for headquarters facility for United States Southern Command, Florida.*
- Sec. 2835. Transfer of jurisdiction, former Nike missile site, Grosse Isle, Michigan.*
- Sec. 2836. Land Exchange, Fort Hood, Texas.*

- Sec. 2837. Exchange of jurisdiction over real property involving Fort Belvoir, Virginia.*
- Sec. 2838. Modification of conveyance authority, Marine Corps Base, Camp Pendleton, California.*

*Subtitle E—Energy Security*

- Sec. 2851. Repeal of congressional notification requirement regarding cancellation ceiling for Department of Defense energy savings performance contracts.*
- Sec. 2852. Report on opportunities for leveraging funds of the Department of Defense and States to prevent disruption in event of electric grid or pipeline failures.*

*Subtitle F—Other Matters*

- Sec. 2861. Revised deadline for transfer of Arlington Naval Annex to Arlington National Cemetery.*
- Sec. 2862. Transfer of jurisdiction over Air Force Memorial to Department of the Air Force.*
- Sec. 2863. Establishment of national military working dog teams monument on suitable military installation.*
- Sec. 2864. Naming housing facility at Fort Carson, Colorado, in honor of the Honorable Joel Hefley, a former member of the United States House of Representatives.*
- Sec. 2865. Naming Navy and Marine Corps Reserve Center at Rock Island, Illinois, in honor of the Honorable Lane Evans, a former member of the United States House of Representatives.*
- Sec. 2866. Naming of research laboratory at Air Force Rome Research Site, Rome, New York, in honor of the Honorable Sherwood L. Boehlert, a former member of the United States House of Representatives.*
- Sec. 2867. Naming of administration building at Joint Systems Manufacturing Center, Lima, Ohio, in honor of the Honorable Michael G. Oxley, a former member of the United States House of Representatives.*
- Sec. 2868. Naming of Logistics Automation Training Facility, Army Quartermaster Center and School, Fort Lee, Virginia, in honor of General Richard H. Thompson.*

1 **Subtitle A—Military Construction**  
2 **Program and Military Family**  
3 **Housing Changes**

4 **SEC. 2801. TEMPORARY AUTHORITY TO SUPPORT REVITAL-**  
5 **IZATION OF DEPARTMENT OF DEFENSE LAB-**  
6 **ORATORIES THROUGH UNSPECIFIED MINOR**  
7 **MILITARY CONSTRUCTION PROJECTS.**

8 (a) *LABORATORY REVITALIZATION.*—Section 2805 of  
9 title 10, United States Code, is amended—

10 (1) by redesignation subsection (d) as subsection  
11 (e); and

12 (2) by inserting after subsection (c) the following  
13 new subsection (d):

14 “(d) *LABORATORY REVITALIZATION.*—(1) For the revi-  
15 talization and recapitalization of laboratories owned by the  
16 United States and under the jurisdiction of the Secretary  
17 concerned, the Secretary concerned may obligate and ex-  
18 pend—

19 “(A) from appropriations available to the Sec-  
20 retary concerned for operation and maintenance,  
21 amounts necessary to carry out an unspecified minor  
22 military construction project costing not more than  
23 \$2,000,000; or

24 “(B) from appropriations available to the Sec-  
25 retary concerned for military construction not other-

1        *wise authorized by law, amounts necessary to carry*  
2        *out an unspecified minor military construction*  
3        *project costing not more than \$5,000,000.*

4        *“(2) For an unspecified minor military construction*  
5        *project conducted pursuant to this subsection, \$2,000,000*  
6        *shall be deemed to be the amount specified in subsection*  
7        *(b)(1) regarding when advance approval of the project by*  
8        *the Secretary concerned and congressional notification is*  
9        *required. The Secretary of Defense shall establish procedures*  
10       *for the review and approval of requests from the Secretary*  
11       *of a military department to carry out a construction project*  
12       *under this subsection.*

13       *“(3) For purposes of this subsection, the total amount*  
14       *allowed to be applied in any one fiscal year to projects at*  
15       *any one laboratory shall be limited to the larger of the*  
16       *amounts applicable under paragraph (1).*

17       *“(4) Not later than February 1, 2010, the Secretary*  
18       *of Defense shall submit to the congressional defense commit-*  
19       *tees a report on the use of the authority provided by this*  
20       *subsection. The report shall include a list and description*  
21       *of the construction projects carried out under this sub-*  
22       *section, including the location and cost of each project.*

23       *“(5) In this subsection, the term ‘laboratory’ in-*  
24       *cludes—*

1           “(A) a research, engineering, and development  
2 center; and

3           “(B) a test and evaluation activity.

4           “(6) The authority to carry out a project under this  
5 subsection expires on September 30, 2012.”.

6           (b) *STYLISTIC AMENDMENTS.*—Such section is further  
7 amended—

8           (1) in subsection (a), by inserting “*AUTHORITY*  
9 *TO CARRY OUT UNSPECIFIED MINOR MILITARY CON-*  
10 *STRUCTION PROJECTS.*—” after “(a)”;

11           (2) in subsection (b), by inserting “*APPROVAL*  
12 *AND CONGRESSIONAL NOTIFICATION.*—” after “(b)”;

13           (3) in subsection (c), by inserting “*USE OF OP-*  
14 *ERATION AND MAINTENANCE FUNDS.*—” after “(c)”;  
15 and

16           (4) in subsection (e), as redesignated by sub-  
17 section (a)(1), by inserting “*PROHIBITION ON USE*  
18 *FOR NEW HOUSING UNITS.*—” after “(e)”.

19 **SEC. 2802. INCREASED THRESHOLD FOR CONGRESSIONAL**  
20 **NOTIFICATION OF LEASES FOR MILITARY**  
21 **FAMILY HOUSING FACILITIES IN FOREIGN**  
22 **COUNTRIES.**

23           Section 2828(f) of title 10, United States Code, is  
24 amended by striking “\$500,000” and inserting  
25 “\$1,000,000”.

1 **SEC. 2803. LIMITATION ON USE OF ALTERNATIVE AUTHOR-**  
2 **ITY FOR ACQUISITION AND IMPROVEMENT OF**  
3 **MILITARY HOUSING FOR PRIVATIZATION OF**  
4 **TEMPORARY LODGING FACILITIES.**

5 (a) *PRIVATIZATION LIMITED TO PILOT PROGRAM.*—  
6 *Section 2878 of title 10, United States Code, is amended*  
7 *by adding at the end the following new subsection:*

8 “(e) *LIMITATION ON PRIVATIZATION OF TEMPORARY*  
9 *LODGING FACILITIES.*—*Notwithstanding any other provi-*  
10 *sion of this subchapter, the privatization of temporary lodg-*  
11 *ing facilities under this subchapter shall be limited to a*  
12 *pilot program to be conducted by the Secretary of the Army*  
13 *at the following military installations:*

14 “(1) *Redstone Arsenal, Alabama.*

15 “(2) *Fort Rucker, Alabama.*

16 “(3) *Yuma Proving Ground, Arizona.*

17 “(4) *Fort McNair, District of Columbia.*

18 “(5) *Fort Shafter, Hawaii.*

19 “(6) *Tripler Army Medical Center, Hawaii.*

20 “(7) *Fort Leavenworth, Kansas.*

21 “(8) *Fort Riley, Kansas.*

22 “(9) *Fort Polk, Louisiana.*

23 “(10) *Fort Sill, Oklahoma.*

24 “(11) *Fort Hood, Texas.*

25 “(12) *Fort Sam Houston, Texas.*

26 “(13) *Fort Myer, Virginia.”*

1       **(b) REPORTING REQUIREMENTS.—**

2               **(1) REPORT BY SECRETARY OF THE ARMY.—***Not*  
3       *later than June 1, 2009, the Secretary of the Army*  
4       *shall submit to the congressional defense committees*  
5       *and the Comptroller General a report that—*

6               **(A)** *describes the implementation of the*  
7       *pilot program authorized by subsection (e) of sec-*  
8       *tion 2878 of title 10, United States Code, as*  
9       *added by this section, at the military installa-*  
10       *tions specified in such subsection;*

11              **(B)** *evaluates the efficiency of the program;*  
12       *and*

13              **(C)** *contains such recommendations as the*  
14       *Secretary considers appropriate regarding ex-*  
15       *pansion of the program.*

16              **(2) REPORT BY COMPTROLLER GENERAL.—***Not*  
17       *later than February 1, 2010, the Comptroller General*  
18       *shall submit to the congressional defense committees a*  
19       *review of the pilot program and of the report of the*  
20       *Secretary.*

21       **SEC. 2804. EXPANSION OF AUTHORITY TO EXCHANGE RE-**  
22       **SERVE COMPONENT FACILITIES.**

23       *Section 18240(a) of title 10, United States Code is*  
24       *amended by striking “with a State” in the first sentence*  
25       *and inserting “with an Executive agency (as defined in sec-*

1 tion 105 of title 5), the United States Postal Service, a  
2 State”.

3 **SEC. 2805. EXTENSION OF AUTHORITY TO ACCEPT CASH**  
4 **EQUALIZATION PAYMENTS FOR RESERVE**  
5 **COMPONENT FACILITY EXCHANGES.**

6 Section 2809(c)(5) of the Military Construction Au-  
7 thorization Act for Fiscal Year 2005 (division B of Public  
8 Law 108–375; 118 Stat. 2126) is amended by striking  
9 “September 30, 2007” and inserting “September 30, 2010”.

10 **SEC. 2806. AUTHORITY TO USE OPERATION AND MAINTEN-**  
11 **NANCE FUNDS FOR CONSTRUCTION**  
12 **PROJECTS OUTSIDE THE UNITED STATES.**

13 (a) **ONE-YEAR EXTENSION OF AUTHORITY.**—Sub-  
14 section (a) of section 2808 of the Military Construction Au-  
15 thorization Act for Fiscal Year 2004 (division B of Public  
16 Law 108–136; 117 Stat. 1723), as amended by section 2810  
17 of the Military Construction Authorization Act for Fiscal  
18 Year 2005 (division B of Public Law 108–375; 118 Stat.  
19 2128), section 2809 of the Military Construction Authoriza-  
20 tion Act for Fiscal Year 2006 (division B of Public Law  
21 109–163; 119 Stat. 3508), and section 2802 of the Military  
22 Construction Authorization Act for Fiscal Year 2007 (divi-  
23 sion B of Public Law 109–364; 120 Stat. 2466), is further  
24 amended by striking “2007” and inserting “2008”.

1           (b) *REPEAL OF QUARTERLY REPORTS; ADVANCE NO-*  
2 *TICE OF CERTAIN PROJECTS.*—Such section is further  
3 *amended—*

4           (1) *in subsection (b), by striking “Within seven*  
5 *days after” and inserting “Except with respect to a*  
6 *construction project described in subsection (d), with-*  
7 *in seven days after”;*

8           (2) *by striking subsection (d) and inserting the*  
9 *following new subsection:*

10          “(d) *ADVANCE NOTICE OF CERTAIN CONSTRUCTION*  
11 *PROJECTS.*—When a decision is made to use appropriated  
12 *funds available for operation and maintenance to carry out*  
13 *a construction project outside the United States that has*  
14 *an estimated cost in excess of the amounts authorized for*  
15 *unspecified minor military construction projects under sec-*  
16 *tion 2805(c) of title 10, United States Code, the Secretary*  
17 *of Defense shall notify the congressional committees speci-*  
18 *fied in subsection (f) of that decision, including the infor-*  
19 *mation required by subsection (b). The project may then*  
20 *be carried out only after the end of the 21-day period begin-*  
21 *ning on the date the notification is received by the commit-*  
22 *tees or, if earlier, the end of the 14-day period beginning*  
23 *on the date on which a copy of the notification is provided*  
24 *in an electronic medium pursuant to section 480 of title*  
25 *10, United States Code. If notice is provided under this sub-*

1 *section with respect to a project, notice is not required*  
 2 *under subsection (b) with respect to the same project.”; and*

3 *(3) by striking subsection (g) and inserting the*  
 4 *following new subsection:*

5 *“(g) EFFECT OF FAILURE TO SUBMIT PROJECT NOTI-*  
 6 *FICATIONS.—If the notices regarding the obligation of the*  
 7 *funds for a construction project required by subsection (b)*  
 8 *or (d) is not submitted to the congressional committees spec-*  
 9 *ified in subsection (f) by the required date, appropriated*  
 10 *funds available for operation and maintenance may not be*  
 11 *obligated or expended after that date under the authority*  
 12 *of this section to carry out construction projects outside the*  
 13 *United States until the date on which the notice is finally*  
 14 *submitted.”.*

15 ***Subtitle B—Real Property and***  
 16 ***Facilities Administration***

17 ***SEC. 2811. CONTINUED CONSOLIDATION OF REAL PROP-***  
 18 ***ERTY PROVISIONS WITHOUT SUBSTANTIVE***  
 19 ***CHANGE.***

20 *(a) CONSOLIDATION.—Section 2663 of title 10, United*  
 21 *States Code, is amended by adding at the end the following*  
 22 *new subsection:*

23 *“(h) LAND ACQUISITION OPTIONS IN ADVANCE OF*  
 24 *MILITARY CONSTRUCTION PROJECTS.—(1) The Secretary of*  
 25 *a military department may acquire an option on a parcel*

1 of real property before or after its acquisition is authorized  
 2 by law, if the Secretary considers it suitable and likely to  
 3 be needed for a military project of the military department  
 4 under the jurisdiction of the Secretary.

5 “(2) As consideration for an option acquired under  
 6 paragraph (1), the Secretary may pay, from funds avail-  
 7 able to the military department under the jurisdiction of  
 8 the Secretary for real property activities, an amount that  
 9 is not more than 12 percent of the appraised fair market  
 10 value of the property.”.

11 (b) *REPEAL OF SUPERSEDED PROVISION.*—

12 (1) *REPEAL.*—Section 2677 of such title is re-  
 13 pealed.

14 (2) *CLERICAL AMENDMENT.*—The table of sec-  
 15 tions at the beginning of chapter 159 of such title is  
 16 amended by striking the item relating to section 2677.

17 **SEC. 2812. COOPERATIVE AGREEMENT AUTHORITY FOR**  
 18 **MANAGEMENT OF CULTURAL RESOURCES ON**  
 19 **CERTAIN SITES OUTSIDE MILITARY INSTAL-**  
 20 **LATIONS.**

21 (a) *EXPANDED AUTHORITY.*—Section 2684 of title 10,  
 22 United States Code, is amended—

23 (1) in subsection (a), by striking “on a military  
 24 installation” and inserting “located on a site author-  
 25 ized by subsection (b)”;

1           (2) *by redesignating subsections (b) and (c) as*  
2           *subsections (c) and (d), respectively; and*

3           (3) *by inserting after subsection (a) the following*  
4           *new subsection (b):*

5           “(b) *AUTHORIZED CULTURAL RESOURCES SITES.—To*  
6           *be covered by a cooperative agreement under subsection (a),*  
7           *cultural resources must be located—*

8           *“(1) on a military installation; or*

9           *“(2) on a site outside of a military installation,*  
10          *but only if the cooperative agreement will directly re-*  
11          *lieve or eliminate current or anticipated restrictions*  
12          *that would or might restrict, impede, or otherwise*  
13          *interfere, whether directly or indirectly, with current*  
14          *or anticipated military training, testing, or oper-*  
15          *ations on a military installation.”.*

16          (b) *CULTURAL RESOURCE DEFINED.—Subsection (d)*  
17          *of such section, as redesignated by subsection (a)(2), is*  
18          *amended by adding at the end the following new paragraph:*

19                 *“(5) An Indian sacred site, as defined in section*  
20                 *1(b)(iii) of Executive Order 13007.”.*

1 **SEC. 2813. AGREEMENTS TO LIMIT ENCROACHMENTS AND**  
2 **OTHER CONSTRAINTS ON MILITARY TRAIN-**  
3 **ING, TESTING, AND OPERATIONS.**

4 (a) *MANAGEMENT OF NATURAL RESOURCES OF AC-*  
5 *QUIRED PROPERTY.*—*Subsection (d) of section 2684a of*  
6 *title 10, United States Code, is amended—*

7 (1) *by redesignating paragraphs (3), (4), (5),*  
8 *and (6) as paragraphs (4), (5), (6), and (7), respec-*  
9 *tively; and*

10 (2) *by inserting after paragraph (2) the fol-*  
11 *lowing new paragraph (3):*

12 “(3) *An agreement with an eligible entity under this*  
13 *section may provide for the management of natural re-*  
14 *sources on real property in which the Secretary concerned*  
15 *acquires any right, title, or interest in accordance with this*  
16 *subsection and for the payment by the United States of all*  
17 *or a portion of the costs of such natural resource manage-*  
18 *ment if the Secretary concerned determines that there is a*  
19 *demonstrated need to preserve or restore habitat for the pur-*  
20 *pose described in subsection (a)(2).”.*

21 (b) *LIMITATION ON PORTION OF ACQUISITION COSTS*  
22 *BORNE BY UNITED STATES.*—*Paragraph (4)(C) of such*  
23 *subsection, as redesignated by subsection (a)(1), is amended*  
24 *by striking “equal to the fair market value” and all that*  
25 *follows through the period at the end and inserting “equal*  
26 *to, at the discretion of the Secretary concerned—*

1           “(i) the fair market value of any property or in-  
2           terest in property to be transferred to the United  
3           States upon the request of the Secretary concerned  
4           under paragraph (5); or

5           “(ii) the cumulative fair market value of all  
6           properties or interests to be transferred to the United  
7           States under paragraph (5) pursuant to an agree-  
8           ment under subsection (a).”.

9   **SEC. 2814. EXPANSION TO ALL MILITARY DEPARTMENTS OF**  
10                   **ARMY PILOT PROGRAM FOR PURCHASE OF**  
11                   **CERTAIN MUNICIPAL SERVICES FOR MILI-**  
12                   **TARY INSTALLATIONS.**

13           (a) *EXPANSION OF PILOT PROGRAM.*—Section 325 of  
14           the Ronald W. Reagan National Defense Authorization Act  
15           for Fiscal Year 2005 (Public Law 108–375; 10 U.S.C. 2461  
16           note) is amended—

17                   (1) in the section heading, by striking “**ARMY**”  
18                   and inserting “**MILITARY**”;

19                   (2) in subsection (a)—

20                           (A) by striking “Secretary of the Army”  
21                           and inserting “Secretary of a military depart-  
22                           ment”; and

23                           (B) by striking “an Army installation” and  
24                           inserting “a military installation under the ju-  
25                           risdiction of the Secretary”; and



1 **SEC. 2816. PROHIBITION ON COMMERCIAL FLIGHTS INTO**  
2 **SELFRIDGE AIR NATIONAL GUARD BASE.**

3 *The Secretary of Defense shall prohibit the use of*  
4 *Selfridge Air National Guard Base by commercial service*  
5 *aircraft.*

6 ***Subtitle C—Base Closure and***  
7 ***Realignment***

8 **SEC. 2821. TRANSFER OF FUNDS FROM DEPARTMENT OF**  
9 **DEFENSE BASE CLOSURE ACCOUNT 2005 TO**  
10 **DEPARTMENT OF DEFENSE HOUSING FUNDS.**

11 *(a) TRANSFER AUTHORITY.—Subsection (c) of section*  
12 *2883 of title 10, United States Code, is amended—*

13 *(1) in paragraph (1), by adding at the end the*  
14 *following new subparagraph:*

15 *“(G) Subject to subsection (f), any amounts that*  
16 *the Secretary of Defense transfers to that Fund from*  
17 *amounts in the Department of Defense Base Closure*  
18 *Account 2005.”; and*

19 *(2) in paragraph (2), by adding at the end the*  
20 *following new subparagraph:*

21 *“(G) Subject to subsection (f), any amounts that*  
22 *the Secretary of Defense transfers to that Fund from*  
23 *amounts in the Department of Defense Base Closure*  
24 *Account 2005.”.*

25 *(b) NOTIFICATION.—Subsection (f) of such section is*  
26 *amended by striking “paragraph (1)(B) or (2)(B)” and in-*

1 *serting “subparagraph (B) or (G) of paragraph (1) or sub-*  
2 *paragraph (B) or (G) of paragraph (2)”.*

3       ***Subtitle D—Land Conveyances***

4       ***SEC. 2831. CONDITIONS ON ACQUISITION OF LAND FOR EX-***  
5                   ***PANSION OF PINON CANYON MANEUVER***  
6                   ***SITE, COLORADO.***

7           *(a) IMPOSITION OF CONDITIONS.—After completion of*  
8 *the review required by the National Environmental Policy*  
9 *Act of 1969 (42 U.S.C. 4321 et seq.), if the Secretary of*  
10 *the Army decides to acquire real property or an interest*  
11 *in real property located near the Pinon Canyon Maneuver*  
12 *Site in the State of Colorado (in this section referred to*  
13 *as the “Site”) for the purpose of expanding the Site, the*  
14 *acquisition of such real property shall be subject to the re-*  
15 *quirements of this section.*

16           *(b) LIMITATION ON EXPANSION METHODS.—The Sec-*  
17 *retary of the Army shall not tender an offer for the acquisi-*  
18 *tion of, or employ condemnation, eminent domain, or sei-*  
19 *zure of, real property, or interest in real property, for the*  
20 *purpose of expanding the Site until the Secretary has com-*  
21 *plied with the following:*

22                   *(1) NEPA REVIEW.—The Secretary of the Army*  
23           *shall complete the requisite reviews under the Na-*  
24           *tional Environmental Policy Act of 1969 (42 U.S.C.*  
25           *4321 et seq.).*

1           (2) *USE OF NEGOTIATION.*—*The Secretary of the*  
2 *Army shall comply with the Uniform Relocation As-*  
3 *sistance and Real Property Acquisition Policies Act*  
4 *of 1970 (42 U.S.C. 4601 et. seq.) by making every*  
5 *reasonable effort to acquire by negotiation the real*  
6 *property, or interest in real property, such as a lease*  
7 *or easement.*

8           (3) *ARBITRATION.*—*Notwithstanding, and in lieu*  
9 *of, any other provision of law regarding arbitration*  
10 *or alternate dispute resolution, the Secretary of the*  
11 *Army shall notify the property owner or owners of*  
12 *their right to seek third party arbitration, as identi-*  
13 *fied in this paragraph, and of the desire of the Sec-*  
14 *retary to conclude a negotiated agreement as to the*  
15 *value of the real property or interest in real property*  
16 *sought for acquisition by the Secretary. If the prop-*  
17 *erty owner or owners and the Army do not reach an*  
18 *agreement within 90 days after the Army has pro-*  
19 *vided such notice, on the request of the property*  
20 *owner or owners to the Secretary, the matter shall be*  
21 *referred to third party arbitration for resolution with-*  
22 *in a period of 90 days from the date of referral. The*  
23 *decision of the arbitrator will be binding.*

24           (c) *CONDITIONS ON ARBITRATION.*—

1           (1) *CONDITIONS.—Arbitration under subsection*  
2 *(b)(3) shall be subject to the following conditions:*

3                   (A) *The cost of such arbitration shall be the*  
4 *responsibility of the Secretary of the Army.*

5                   (B) *The Secretary of the Army shall iden-*  
6 *tify at least three neutral third parties with ex-*  
7 *perience in conducting arbitrations as to real*  
8 *property values and shall make this information*  
9 *available to the property owner or owners.*

10                  (C) *The issue of property value shall be re-*  
11 *ferred to an arbitrator selected by the property*  
12 *owner or owners from the neutral third parties*  
13 *identified by the Secretary of the Army pursuant*  
14 *to subparagraph (B).*

15                  (D) *The Army shall reimburse the property*  
16 *owner or owners for reasonable costs incurred in*  
17 *pursuing the arbitration as established by the ar-*  
18 *bitrator.*

19           (2) *ARBITRATOR POWERS AND IMMUNITIES.—An*  
20 *arbitrator selected under paragraph (1)(C) to whom*  
21 *an action is referred under this section shall have the*  
22 *power within the acquisition process to conduct arbi-*  
23 *tration hearings, to administer oaths and affirma-*  
24 *tions, and to make decisions as to the value of the real*  
25 *property or interest in real property subject to arbi-*

1        *tration. An individual serving as arbitrators pursu-*  
2        *ant to this section is entitled to the immunities and*  
3        *protections provided by law.*

4        *(d) COMMUNITY PLANNING ASSISTANCE.—A commu-*  
5        *nity adversely impacted by the acquisition by the Secretary*  
6        *of the Army of real property for the purpose of expanding*  
7        *the Site shall be deemed to be eligible for adjustment assist-*  
8        *ance under section 2391(b) of title 10, United States Code.*  
9        *The Secretary shall consult with the Governor of Colorado*  
10       *regarding other steps that may be taken to address impacts*  
11       *on local governments and affected communities.*

12       *(e) CONSULTATION REGARDING RESULTING STATUS*  
13       *OF ACQUIRED LAND.—The Secretary of the Army shall con-*  
14       *sult with the Secretary of Interior regarding the status of*  
15       *any real property acquired for the purpose of expanding*  
16       *the Site for purposes of payments to local governments*  
17       *under section 6901 of title 31, United States Code.*

18       *(f) ACCESS.—*

19            *(1) ACCESS TO CULTURAL AND HISTORIC*  
20        *SITES.—The Secretary of the Army shall ensure rea-*  
21        *sonable access to cultural and historic sites within the*  
22        *Site.*

23            *(2) GRAZING.—Where appropriate and under*  
24        *reasonable conditions, the Secretary of the Army shall*  
25        *allow the grazing of livestock within the Site.*

1           (g) *FOREST SERVICE LANDS.*—*If the Secretary of the*  
2 *Army seeks to use real property for military purposes in*  
3 *the area of interest, which as of the date of the enactment*  
4 *of this Act were managed by the Secretary of Agriculture,*  
5 *the Secretary of the Army shall—*

6           (1) *secure a special use permit, including terms*  
7 *and conditions for such use that are agreed to by the*  
8 *Secretary of the Army and the Secretary of Agri-*  
9 *culture; or*

10           (2) *upon agreement with the Secretary of Agri-*  
11 *culture, enter into an interchange of lands under the*  
12 *authority of section 1 of the Act of July 26, 1956 (16*  
13 *U.S.C. 505a).*

14           (h) *STATE LANDS.*—*The Secretary of the Army shall*  
15 *seek to reach agreement with the Governor of Colorado on*  
16 *terms, conditions, and reasonable compensation under*  
17 *which lands in the area of interest owned by the State of*  
18 *Colorado can be used for military purposes.*

19 **SEC. 2832. GRANT OF EASEMENT, EGLIN AIR FORCE BASE,**  
20 **FLORIDA.**

21           (a) *GRANT REQUIRED.*—*The Secretary of the Air*  
22 *Force shall use the authority provided by section 2668 of*  
23 *title 10, United States Code, to grant to the Mid Bay Bridge*  
24 *Authority an easement for a roadway right-of-way over*  
25 *such land at Eglin Air Force Base, Florida, as the Sec-*

1 *retary determines necessary to facilitate the construction of*  
2 *a road connecting the northern landfall of the Mid Bay*  
3 *Bridge to Florida State Highway 85.*

4 (b) *CONSIDERATION.*—*As consideration for the grant*  
5 *of the easement under subsection (a), the Mid Bay Bridge*  
6 *Authority shall pay to the Secretary an amount equal to*  
7 *the fair-market-value of the easement, as determined by the*  
8 *Secretary.*

9 (c) *COSTS OF PROJECT.*—*As a condition of the grant*  
10 *of the easement under subsection (a), the Mid Bay Bridge*  
11 *Authority shall be responsible for all costs associated with*  
12 *the highway project described in such subsection, including*  
13 *all costs the Secretary determines to be necessary to address*  
14 *any impacts that the project may have on the defense mis-*  
15 *sions at Eglin Air Force Base.*

16 **SEC. 2833. LAND CONVEYANCE, LYNN HAVEN FUEL DEPOT,**  
17 **LYNN HAVEN, FLORIDA.**

18 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
19 *Air Force may convey to Florida State University (in this*  
20 *section referred to as the “University”) all right, title, and*  
21 *interest of the United States in and to a parcel of real prop-*  
22 *erty, including improvements thereon, consisting of ap-*  
23 *proximately 40 acres located at the Lynn Haven Fuel Depot*  
24 *in Lynn Haven, Florida, for the purpose of permitting the*

1 *University to develop the property as a new satellite cam-*  
2 *pus.*

3 *(b) CONSIDERATION.—*

4 *(1) IN GENERAL.—For the conveyance of the*  
5 *property under subsection (a), the University shall*  
6 *provide the United States with consideration in an*  
7 *amount that is acceptable to the Secretary, whether in*  
8 *the form of cash payment, in-kind consideration, or*  
9 *a combination thereof.*

10 *(2) REDUCED TUITION RATES.—The Secretary*  
11 *may accept as in-kind consideration under paragraph*  
12 *(1) reduced tuition rates or scholarships for military*  
13 *personnel and their dependents at the University.*

14 *(c) PAYMENT OF COSTS OF CONVEYANCES.—*

15 *(1) PAYMENT REQUIRED.—The Secretary shall*  
16 *require the University to cover costs to be incurred by*  
17 *the Secretary, or to reimburse the Secretary for costs*  
18 *incurred by the Secretary, to carry out the convey-*  
19 *ance under subsection (a), including survey costs, re-*  
20 *lated to the conveyance. If amounts are collected from*  
21 *the University in advance of the Secretary incurring*  
22 *the actual costs, and the amount collected exceeds the*  
23 *costs actually incurred by the Secretary to carry out*  
24 *the conveyance, the Secretary shall refund the excess*  
25 *amount to the University.*

1           (2) *TREATMENT OF AMOUNTS RECEIVED.*—  
2           *Amounts received under paragraph (1) as reimburse-*  
3           *ment for costs incurred by the Secretary to carry out*  
4           *the conveyance under subsection (a) shall be credited*  
5           *to the fund or account that was used to cover the costs*  
6           *incurred by the Secretary in carrying out the convey-*  
7           *ance. Amounts so credited shall be merged with*  
8           *amounts in such fund or account and shall be avail-*  
9           *able for the same purposes, and subject to the same*  
10          *conditions and limitations, as amounts in such fund*  
11          *or account.*

12          (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*  
13          *and legal description of the real property to be conveyed*  
14          *under subsection (a) shall be determined by a survey satis-*  
15          *factory to the Secretary.*

16          (e) *ADDITIONAL TERM AND CONDITIONS.*—*The Sec-*  
17          *retary may require such additional terms and conditions*  
18          *in connection with the conveyance under subsection (a) as*  
19          *the Secretary considers appropriate to protect the interests*  
20          *of the United States.*

1 **SEC. 2834. ADDITIONAL CONDITIONS ON LEASE OF PROP-**  
2 **ERTY FOR HEADQUARTERS FACILITY FOR**  
3 **UNITED STATES SOUTHERN COMMAND, FLOR-**  
4 **IDA.**

5 (a) *USE OF PROPERTY AUTHORIZED.*—Subject to sub-  
6 section (b), the Secretary of the Army may utilize the prop-  
7 erty of the State of Florida described in sublease number  
8 4489-01, which was entered into between the State of Flor-  
9 ida and the United States, for the purpose of construction  
10 of a consolidated headquarters facility for the United States  
11 Southern Command.

12 (b) *NEGOTIATION FOR ADDITIONAL AUTHORIZED*  
13 *USES OF PROPERTY.*—Given the substantial investment to  
14 be made by the United States to construct a headquarters  
15 facility for the United States Southern Command on the  
16 property referred to in subsection (a), the Secretary shall  
17 enter into negotiations to secure, before the award of a con-  
18 tract for the construction of the facility, additional flexi-  
19 bility for the United States to use the property for general  
20 administrative purposes for any Federal agency, including  
21 in the event the property is no longer used for the United  
22 States Southern Command.

23 (c) *ACQUISITION OF ADDITIONAL PROPERTY.*—The  
24 Secretary may obtain the use of additional State lands ad-  
25 jacent to the property referred to in subsection (a), if avail-  
26 able by the terms of the lease referred to in such subsection

1 *and needed to complete the construction of the headquarters*  
2 *facility for the United States Southern Command. Sub-*  
3 *section (b) shall apply with respect to any additional prop-*  
4 *erty secured under this subsection.*

5 **SEC. 2835. TRANSFER OF JURISDICTION, FORMER NIKE MIS-**  
6 **SILE SITE, GROSSE ISLE, MICHIGAN.**

7 (a) *TRANSFER.*—*Administrative jurisdiction over the*  
8 *property described in subsection (b) is hereby transferred*  
9 *from the Administrator of the Environmental Protection*  
10 *Agency to the Secretary of the Interior.*

11 (b) *PROPERTY DESCRIBED.*—*The property referred to*  
12 *in subsection (a) is the former Nike missile site located at*  
13 *the southern end of Grosse Ile, Michigan, as depicted on*  
14 *the map entitled “07–CE” on file with the Environmental*  
15 *Protection Agency and dated May 16, 1984.*

16 (c) *ADMINISTRATION OF PROPERTY.*—*Subject to sub-*  
17 *section (d), the Secretary of the Interior shall administer*  
18 *the property described in subsection (b)—*

19 (1) *acting through the United States Fish and*  
20 *Wildlife Service;*

21 (2) *as part of the Detroit River International*  
22 *Wildlife Refuge; and*

23 (3) *for use as a habitat for fish and wildlife and*  
24 *as a recreational property for outdoor education and*  
25 *environmental appreciation.*

1           (d) *MANAGEMENT OF REMEDIATION BY ARMY CORPS*  
2 *OF ENGINEERS.*—*The Secretary of Defense, acting through*  
3 *the district office of the Army Corps of Engineers in Louis-*  
4 *ville, Kentucky, shall manage and carry out environmental*  
5 *remediation activities with respect to the property described*  
6 *in subsection (b) that, at a minimum, achieve the standard*  
7 *that the United States Fish and Wildlife Service determines*  
8 *sufficient to allow the property to be used as provided in*  
9 *subsection (c)(3). Such remediation activities, with the ex-*  
10 *ception of long-term monitoring, shall be completed to*  
11 *achieve that standard not later than two years after the*  
12 *date of enactment of this Act. The Secretary of Defense may*  
13 *use amounts made available from the account established*  
14 *by section 2703(a)(5) of title 10, United States Code, to*  
15 *carry out such remediation.*

16           (e) *SAVINGS PROVISION.*—*Nothing in this section shall*  
17 *be construed to affect or limit the application of, or any*  
18 *obligation to comply with, any environmental law, includ-*  
19 *ing the Comprehensive Environmental Response, Com-*  
20 *pensation, and Liability Act of 1980 (42 U.S.C. 9601 et*  
21 *seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901*  
22 *et seq.).*

23 **SEC. 2836. LAND EXCHANGE, FORT HOOD, TEXAS.**

24           (a) *EXCHANGE AUTHORIZED.*—*The Secretary of the*  
25 *Army may convey to the City of Copperas Cove, Texas (in*

1 *this section referred to as the “City”), all right, title, and*  
2 *interest of the United States in and to a parcel of real prop-*  
3 *erty, including any improvements thereon, consisting of ap-*  
4 *proximately 200 acres at Fort Hood, Texas, for the purpose*  
5 *of permitting the City to improve arterial transportation*  
6 *routes in the community.*

7       **(b) CONSIDERATION.**—*As consideration for the convey-*  
8 *ance under subsection (a), the City shall convey to the Sec-*  
9 *retary all right, title, and interest of the City in and to*  
10 *one or more parcels of real property that are acceptable to*  
11 *the Secretary. The fair market value of the real property*  
12 *acquired by the Secretary under this subsection shall be*  
13 *equal to the fair market value of the real property conveyed*  
14 *under subsection (a), as determined by appraisals accept-*  
15 *able to the Secretary.*

16       **(c) DESCRIPTION OF PROPERTY.**—*The exact acreage*  
17 *and legal description of the real property to be exchanged*  
18 *under this section shall be determined by surveys satisfac-*  
19 *tory to the Secretary.*

20       **(d) PAYMENT OF COSTS OF CONVEYANCES.**—

21               **(1) PAYMENT REQUIRED.**—*The Secretary shall*  
22 *require the City to cover costs to be incurred by the*  
23 *Secretary, or to reimburse the Secretary for costs in-*  
24 *curring by the Secretary, to carry out the conveyances*  
25 *under this section, including survey costs, related to*

1        *the conveyances. If amounts are collected from the*  
2        *City in advance of the Secretary incurring the actual*  
3        *costs, and the amount collected exceeds the costs actu-*  
4        *ally incurred by the Secretary to carry out the con-*  
5        *veyances, the Secretary shall refund the excess amount*  
6        *to the City.*

7            (2) *TREATMENT OF AMOUNTS RECEIVED.—*  
8        *Amounts received under paragraph (1) as reimburse-*  
9        *ment for costs incurred by the Secretary to carry out*  
10       *the conveyances under this section shall be credited to*  
11       *the fund or account that was used to cover the costs*  
12       *incurred by the Secretary in carrying out the convey-*  
13       *ances. Amounts so credited shall be merged with*  
14       *amounts in such fund or account and shall be avail-*  
15       *able for the same purposes, and subject to the same*  
16       *conditions and limitations, as amounts in such fund*  
17       *or account.*

18        (e) *ADDITIONAL TERM AND CONDITIONS.—The Sec-*  
19       *retary may require such additional terms and conditions*  
20       *in connection with the conveyances under this section as*  
21       *the Secretary considers appropriate to protect the interests*  
22       *of the United States.*

1 **SEC. 2837. EXCHANGE OF JURISDICTION OVER REAL PROP-**  
2 **ERTY INVOLVING FORT BELVOIR, VIRGINIA.**

3 (a) *EXCHANGE.*—Not later than September 30, 2008,  
4 the Administrator of General Services and the Secretary of  
5 the Army shall enter into an agreement providing for a  
6 property exchange under which—

7 (1) the Administrator transfers to the jurisdic-  
8 tion, custody, and control of the Secretary—

9 (A) the parcel of real property described in  
10 subsection (b), including any improvements  
11 thereon; or

12 (B) subject to a boundary determination by  
13 the Administrator and concurrence by the Sec-  
14 retary, a portion of the parcel of real property  
15 described in subsection (b), including any im-  
16 provements on that portion; and

17 (2) the Secretary transfers to the jurisdiction,  
18 custody, and control of the Administrator a parcel of  
19 real property described in subsection (c).

20 (b) *GSA PROPERTY DESCRIPTION.*—The property and  
21 improvements referred to in subsection (a)(1) is the ap-  
22 proximately 72.23 acre site at 6999 Loisdale Road in  
23 Springfield, Virginia, known as the GSA Franconia Ware-  
24 house, identified in the land records of Fairfax County, Vir-  
25 ginia, as Parcel ID # 0902-01-0057, Lee District tax dis-  
26 trict 4000.

1       (c) *ARMY PROPERTY DESCRIPTION.*—

2           (1) *IN GENERAL.*—*The property referred to in*  
3 *subsection (a)(2) is a parcel of real property accept-*  
4 *able to the Administrator located at either—*

5                   (A) *Fort Belvoir, Virginia; or*

6                   (B) *another installation under the jurisdic-*  
7 *tion of the Department of Army in the National*  
8 *Capital Region.*

9           (2) *IMPROVEMENTS.*—*The parcel of real property*  
10 *selected for transfer may include improvements on the*  
11 *property made by the Army before the date of the en-*  
12 *actment of this Act.*

13       (d) *NEGOTIATION.*—

14           (1) *TERMS AND CONDITIONS.*—*As a condition of*  
15 *the exchange of property under subsection (a), the*  
16 *agreement under such subsection shall provide that*  
17 *the fair market value of the properties to be exchanged*  
18 *shall be equal or equalized through the use of a cash*  
19 *equalization payment.*

20           (2) *DETERMINATION OF FAIR MARKET VALUE.*—  
21 *For purposes of paragraph (1), the fair market value*  
22 *of the property shall be determined—*

23                   (A) *based on the highest and best use of the*  
24 *property, as determined by an independent ap-*

1           *praisal jointly commissioned by the Adminis-*  
2           *trator and the Secretary of the Army; and*

3                   *(B) using the definition of fair market*  
4           *value contained in the Uniform Appraisal*  
5           *Standards for Federal Land Acquisitions.*

6           *(e) NO EFFECT ON COMPLIANCE WITH ENVIRON-*  
7           *MENTAL LAWS.—Nothing in this section may be construed*  
8           *to affect or limit the application of, or obligation to comply*  
9           *with, any environmental law, including section 120(h) of*  
10           *the Comprehensive Environmental Response, Compensa-*  
11           *tion, and Liability Act of 1980 (42 U.S.C. 9620(h)).*

12           *(f) USE OF PROPERTY.—After completion of the ex-*  
13           *change of property under subsection (a), the Secretary may*  
14           *relocate personnel to facilities to be constructed or leased*  
15           *(or a combination of both) on the property who otherwise*  
16           *would be located or relocated to Fort Belvoir.*

17           *(g) RELOCATION OF PERSONNEL, EQUIPMENT, AND*  
18           *SUPPLIES.—*

19                   *(1) IN GENERAL.—Subject to paragraph (2), the*  
20           *Administrator may procure and provide space for the*  
21           *relocation of personnel, equipment, and supplies of*  
22           *the General Services Administration and its tenants*  
23           *on property transferred under subsection (a)(1).*

24                   *(2) NOTICE TO COMMITTEES.—Before under-*  
25           *taking an activity under paragraph (1) that other-*

1 *wise would require approval of a prospectus under*  
2 *section 3307 of title 40, United States Code, the Ad-*  
3 *ministrator shall provide to the Committee on Trans-*  
4 *portation and Infrastructure of the House of Rep-*  
5 *resentatives, the Committee on Environment and*  
6 *Public Works of the Senate, and the congressional de-*  
7 *fense committees a written notice containing a de-*  
8 *scription of the activity to be undertaken.*

9 (3) *RELOCATION COSTS.—As a condition of the*  
10 *transfer of property under subsection (a), the Sec-*  
11 *retary shall agree—*

12 (A) *to advance funds to the Administrator*  
13 *to cover the costs projected to be incurred by the*  
14 *Administrator, based on an estimate of such*  
15 *costs prepared by the Administrator, for relo-*  
16 *cating personnel, equipment, and supplies of the*  
17 *General Services Administration and its tenants*  
18 *from the property; and*

19 (B) *if the initial advance of funds is insuf-*  
20 *ficient, to advance additional funds to the Ad-*  
21 *ministrator in accordance with a revised or sup-*  
22 *plemental estimate prepared by the Adminis-*  
23 *trator.*

24 (4) *EXCESS FUNDS.—The Administrator shall*  
25 *return to the Secretary any funds received under*

1 paragraph (3) that are not used for the purposes de-  
 2 scribed in such paragraph.

3 (h) *ADDITIONAL TERMS AND CONDITIONS.*—The Ad-  
 4 ministrator and the Secretary of the Army may require  
 5 such additional terms and conditions in connection with  
 6 the exchange under subsection (a) as the Administrator, in  
 7 consultation with the Secretary, determines appropriate to  
 8 protect the interests of the United States and further the  
 9 purposes of this section.

10 **SEC. 2838. MODIFICATION OF CONVEYANCE AUTHORITY,**  
 11 **MARINE CORPS BASE, CAMP PENDLETON,**  
 12 **CALIFORNIA.**

13 Section 2851(a) of the Military Construction Author-  
 14 ization Act for Fiscal Year 1999 (division B of Public Law  
 15 105–261; 112 Stat. 2219) is amended by striking “, not-  
 16 withstanding any provision of State law to the contrary,”  
 17 as added by section 2867 of Public Law 107–107 (115 Stat.  
 18 1334).

19 ***Subtitle E—Energy Security***

20 **SEC. 2851. REPEAL OF CONGRESSIONAL NOTIFICATION RE-**  
 21 **QUIREMENT REGARDING CANCELLATION**  
 22 **CEILING FOR DEPARTMENT OF DEFENSE EN-**  
 23 **ERGY SAVINGS PERFORMANCE CONTRACTS.**

24 Section 2913 of title 10, United States Code, is amend-  
 25 ed by striking subsection (e).

1 **SEC. 2852. REPORT ON OPPORTUNITIES FOR LEVERAGING**  
2 **FUNDS OF THE DEPARTMENT OF DEFENSE**  
3 **AND STATES TO PREVENT DISRUPTION IN**  
4 **EVENT OF ELECTRIC GRID OR PIPELINE FAIL-**  
5 **URES.**

6 *Not later than 180 days after the date of the enactment*  
7 *of this Act, the Secretary of Defense, acting through the*  
8 *Under Secretary of Defense for Acquisition, Technology,*  
9 *and Logistics, shall submit to the congressional defense com-*  
10 *mittees a report on approaches by which the Department*  
11 *of Defense may contribute funds and other resources of the*  
12 *Department, which when combined with resources from*  
13 *other funding sources, such as State System Benefit Trust*  
14 *Funds, Clean Air Act State Implementation Funds, and*  
15 *State Homeland Security Critical Infrastructure Grants,*  
16 *will accelerate efforts to harden critical functions on and*  
17 *around military and security facilities to prevent disrup-*  
18 *tion in the event of major electric grid or natural gas or*  
19 *petroleum pipeline failures.*

20 **Subtitle F—Other Matters**

21 **SEC. 2861. REVISED DEADLINE FOR TRANSFER OF ARLING-**  
22 **TON NAVAL ANNEX TO ARLINGTON NATIONAL**  
23 **CEMETERY.**

24 *Section 2881(h) of the Military Construction Author-*  
25 *ization Act for Fiscal Year 2000 (division B of Public Law*

1 106–65; 113 Stat. 880) is amended by striking paragraphs  
2 (1) and (2) and inserting the following new paragraphs:

3 “(1) January 1, 2013;

4 “(2) the date on which the Navy Annex property  
5 is no longer required (as determined by the Secretary  
6 of Defense) for use as temporary office space; or

7 “(3) one year after the date on which the Sec-  
8 retary of the Army notifies the Secretary of Defense  
9 that the Navy Annex property is needed for the ex-  
10 pansion of Arlington National Cemetery.”.

11 **SEC. 2862. TRANSFER OF JURISDICTION OVER AIR FORCE**

12 **MEMORIAL TO DEPARTMENT OF THE AIR**

13 **FORCE.**

14 (a) *TRANSFER OF JURISDICTION.*—Notwithstanding  
15 section 2881 of the Military Construction Authorization Act  
16 for Fiscal Year 2000 (division B of Public Law 106–65;  
17 113 Stat. 879) and section 2863 of the Military Construc-  
18 tion Authorization Act for Fiscal Year 2002 (division B  
19 of Public Law 107–107; 115 Stat. 1330; 40 U.S.C. 1003  
20 note), administrative jurisdiction, custody, and control of  
21 the parcel of Federal land described in subsection (b)(1) of  
22 such section 2863 is hereby transferred to the Secretary of  
23 the Air Force.

24 (b) *ACCESS AND MANAGEMENT OF AIR FORCE MEMO-*  
25 *RIAL.*—In addition to authorities available to the Secretary

1 *of the Air Force under any other provision of law, the Sec-*  
2 *retary may enter into a cooperative agreement with the Air*  
3 *Force Memorial Foundation or other appropriate private*  
4 *organizations to provide management, maintenance, and*  
5 *repair of the Air Force Memorial and surrounding site and*  
6 *to facilitate public access to the memorial.*

7 **SEC. 2863. ESTABLISHMENT OF NATIONAL MILITARY WORK-**  
8 **ING DOG TEAMS MONUMENT ON SUITABLE**  
9 **MILITARY INSTALLATION.**

10 (a) *AUTHORITY TO ESTABLISH MONUMENT.*—*The Sec-*  
11 *retary of Defense may permit the National War Dogs*  
12 *Monument, Inc., to establish and maintain, at a suitable*  
13 *location at Fort Belvoir, Virginia, or another military in-*  
14 *stallation in the United States, a national monument to*  
15 *honor the sacrifice and service of United States Armed*  
16 *Forces working dog teams that have participated in the*  
17 *military operations of the United States.*

18 (b) *LOCATION AND DESIGN OF MONUMENT.*—*The ac-*  
19 *tual location and final design of the monument authorized*  
20 *by subsection (a) shall be subject to the approval of the Sec-*  
21 *retary. In selecting the military installation and site on*  
22 *such installation to serve as the location for the monument,*  
23 *the Secretary shall seek to maximize access to the resulting*  
24 *monument for both visitors and their dogs.*

1           (c) *MAINTENANCE.*—*The maintenance of the monu-*  
2 *ment authorized by subsection (a) by the National War*  
3 *Dogs Monument, Inc., shall be subject to such conditions*  
4 *regarding access to the monument, and such other condi-*  
5 *tions, as the Secretary considers appropriate to protect the*  
6 *interests of the United States.*

7           (d) *LIMITATION ON PAYMENT OF EXPENSES.*—*The*  
8 *United States Government shall not pay any expense for*  
9 *the establishment or maintenance of the monument author-*  
10 *ized by subsection (a).*

11 **SEC. 2864. NAMING HOUSING FACILITY AT FORT CARSON,**  
12 **COLORADO, IN HONOR OF THE HONORABLE**  
13 **JOEL HEFLEY, A FORMER MEMBER OF THE**  
14 **UNITED STATES HOUSE OF REPRESENTA-**  
15 **TIVES.**

16           (a) *FINDINGS.*—*Congress makes the following findings:*

17               (1) *Representative Joel Hefley was elected to rep-*  
18 *resent Colorado's 5th Congressional district in 1986*  
19 *and served in the House of Representatives until the*  
20 *end of the 109th Congress in 2006 with distinction,*  
21 *class, integrity, and honor.*

22               (2) *Representative Hefley served on the Com-*  
23 *mittee on Armed Services of the House of Representa-*  
24 *tives for 18 years, including service as Chairman of*  
25 *the Subcommittee on Military Installations and Fa-*

1 *cilities from 1995 through 2000 and, from 2001*  
2 *through 2006, as Chairman of the Subcommittee on*  
3 *Readiness.*

4 *(3) Representative Hefley's colleagues know him*  
5 *to be a fair and effective lawmaker who worked for*  
6 *the national interest while never forgetting his West-*  
7 *ern roots.*

8 *(4) Representative Hefley's efforts on the Com-*  
9 *mittee on Armed Services were instrumental to the*  
10 *military value of, and quality of life at, installations*  
11 *in the State of Colorado, including Fort Carson,*  
12 *Cheyenne Mountain, Peterson Air Force Base,*  
13 *Schriever Air Force Base, Buckley Air Force Base,*  
14 *and the United States Air Force Academy.*

15 *(5) Representative Hefley was a leader in efforts*  
16 *to retain and expand Fort Carson as an essential*  
17 *part of the national defense system during the Defense*  
18 *Base Closure and Realignment process.*

19 *(6) Representative Hefley consistently advocated*  
20 *for providing members of the Armed Forces and their*  
21 *families with quality, safe, and affordable housing*  
22 *and supportive communities.*

23 *(7) Representative Hefley spearheaded the Mili-*  
24 *tary Housing Privatization Initiative to eliminate*



1           (1) *Representative Lane Evans was elected to the*  
2           *House of Representatives in 1982 and served in the*  
3           *House of Representatives until the end of the 109th*  
4           *Congress in 2006 representing the people of Illinois’*  
5           *17th Congressional district.*

6           (2) *As a member of the Committee on Armed*  
7           *Services of the House of Representatives, Representa-*  
8           *tive Evans worked to bring common sense priorities*  
9           *to defense spending and strengthen the military’s con-*  
10          *ventional readiness.*

11          (3) *Representative Evans was a tireless advocate*  
12          *for military veterans, ensuring that veterans receive*  
13          *the medical care they need and advocating for indi-*  
14          *viduals suffering from post-traumatic stress disorder*  
15          *and Gulf War Syndrome.*

16          (4) *Representative Evans’ efforts to improve the*  
17          *transition of individuals from military service to the*  
18          *care of the Department of Veterans Affairs will con-*  
19          *tinue to benefit generations of veterans long into the*  
20          *future.*

21          (5) *Representative Evans is credited with bring-*  
22          *ing new services to veterans living in his Congres-*  
23          *sional district, including outpatient clinics in the*  
24          *Quad Cities and Quincy and the Quad-Cities Vet*  
25          *Center.*



1 *Information Science and Technology*”. Any reference in a  
2 law, map, regulation, document, paper, or other record of  
3 the United States to such laboratory facility shall be deemed  
4 to be a reference to the Sherwood Boehlert Center of Excel-  
5 lence for Information Science and Technology.

6 **SEC. 2867. NAMING OF ADMINISTRATION BUILDING AT**  
7 **JOINT SYSTEMS MANUFACTURING CENTER,**  
8 **LIMA, OHIO, IN HONOR OF THE HONORABLE**  
9 **MICHAEL G. OXLEY, A FORMER MEMBER OF**  
10 **THE UNITED STATES HOUSE OF REPRESENT-**  
11 **ATIVES.**

12 *The administration building under construction at the*  
13 *Joint Systems Manufacturing Center in Lima, Ohio, shall*  
14 *be known and designated as the “Michael G. Oxley Admin-*  
15 *istration and Technology Center”.* Any reference in a law,  
16 map, regulation, document, paper, or other record of the  
17 United States to such building shall be deemed to be a ref-  
18 erence to the Michael G. Oxley Administration and Tech-  
19 nology Center.

20 **SEC. 2868. NAMING OF LOGISTICS AUTOMATION TRAINING**  
21 **FACILITY, ARMY QUARTERMASTER CENTER**  
22 **AND SCHOOL, FORT LEE, VIRGINIA, IN HONOR**  
23 **OF GENERAL RICHARD H. THOMPSON.**

24 *Notwithstanding Army Regulation AR 1–33, the Lo-*  
25 *gistics Automation Training Facility of the Army Quarter-*

1 *master Center and School at Fort Lee, Virginia, shall be*  
 2 *known and designated as the “General Richard H. Thomp-*  
 3 *son Logistics Automation Training Facility” in honor of*  
 4 *General Richard H. Thompson, the only quartermaster to*  
 5 *have risen from private to full general. Any reference in*  
 6 *a law, map, regulation, document, paper, or other record*  
 7 *of the United States to such facility shall be deemed to be*  
 8 *a reference to the General Richard H. Thompson Logistics*  
 9 *Automation Training Facility.*

10 ***DIVISION C—DEPARTMENT OF***  
 11 ***ENERGY NATIONAL SECURITY***  
 12 ***AUTHORIZATIONS AND***  
 13 ***OTHER AUTHORIZATIONS***  
 14 ***TITLE XXXI—DEPARTMENT OF***  
 15 ***ENERGY NATIONAL SECURITY***  
 16 ***PROGRAMS***

*Subtitle A—National Security Programs Authorizations*

*Sec. 3101. National Nuclear Security Administration.*

*Sec. 3102. Defense environmental cleanup.*

*Sec. 3103. Other defense activities.*

*Sec. 3104. Defense nuclear waste disposal.*

*Subtitle B—Program Authorizations, Restrictions, and Limitations*

*Sec. 3111. Study on using existing pits for the Reliable Replacement Warhead program.*

*Sec. 3112. National Nuclear Security Administration study on nuclear weapons complex protective forces.*

*Sec. 3113. Report on retirement and dismantlement of nuclear warheads.*

*Sec. 3114. Assessment of security risks posed to nuclear weapons complex.*

*Sec. 3115. Department of Energy report on plan to strengthen and expand International Radiological Threat Reduction program.*

*Sec. 3116. Department of Energy report on plan to strengthen and expand Materials Protection, Control, and Accounting program.*

*Sec. 3117. Authority to use International Nuclear Materials Protection and Cooperation program funds outside the former Soviet Union.*

*Sec. 3118. Increased authority for ombudsman under Energy Employees Occupational Illness Compensation Program.*

1           ***Subtitle A—National Security***  
2                   ***Programs Authorizations***

3   ***SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-***  
4                   ***TION.***

5           *Funds are hereby authorized to be appropriated to the*  
6 *Department of Energy for fiscal year 2008 for the activities*  
7 *of the National Nuclear Security Administration in car-*  
8 *rying out programs necessary for national security in the*  
9 *amount of \$9,536,833,000, to be allocated as follows:*

10                   (1) *For weapons activities, \$6,511,312,000.*

11                   (2) *For defense nuclear nonproliferation activi-*  
12 *ties, \$1,817,646,000.*

13                   (3) *For naval reactors, \$808,219,000.*

14                   (4) *For the Office of the Administrator for Nu-*  
15 *clear Security, \$399,656,000.*

16   ***SEC. 3102. DEFENSE ENVIRONMENTAL CLEANUP.***

17           *Funds are hereby authorized to be appropriated to the*  
18 *Department of Energy for fiscal year 2008 for defense envi-*  
19 *ronmental cleanup activities in carrying out programs nec-*  
20 *essary for national security in the amount of*  
21 *\$5,363,905,000.*

22   ***SEC. 3103. OTHER DEFENSE ACTIVITIES.***

23           *Funds are hereby authorized to be appropriated to the*  
24 *Department of Energy for fiscal year 2008 for other defense*

1 *activities in carrying out programs necessary for national*  
2 *security in the amount of \$763,974,000.*

3 **SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.**

4 *Funds are hereby authorized to be appropriated to the*  
5 *Department of Energy for fiscal year 2008 for defense nu-*  
6 *clear waste disposal for payment to the Nuclear Waste Fund*  
7 *established in section 302(c) of the Nuclear Waste Policy*  
8 *Act of 1982 (42 U.S.C. 10222(c)) in the amount of*  
9 *\$292,046,000.*

10 **Subtitle B—Program Authoriza-**  
11 **tions, Restrictions, and Limita-**  
12 **tions**

13 **SEC. 3111. STUDY ON USING EXISTING PITS FOR THE RELI-**  
14 **ABLE REPLACEMENT WARHEAD PROGRAM.**

15 *(a) STUDY REQUIRED.—The Administrator for Nu-*  
16 *clear Security, in consultation with the Nuclear Weapons*  
17 *Council, shall carry out a study analyzing the feasibility*  
18 *of using existing pits to remanufacture warheads for the*  
19 *Reliable Replacement Warhead (RRW) program.*

20 *(b) REPORT.—*

21 *(1) IN GENERAL.—Not later than February 1,*  
22 *2008, the Administrator shall submit to the congres-*  
23 *sional defense committees a report on the results of*  
24 *the study. The report shall be in unclassified form,*  
25 *but may include a classified annex.*

1           (2) *MATTERS INCLUDED.*—*The report shall con-*  
2 *tain the assessment of the Administrator of the results*  
3 *of the study, including—*

4                   (A) *an assessment of—*

5                           (i) *whether using existing pits to re-*  
6 *manufacture warheads for the RRW pro-*  
7 *gram is technically feasible;*

8                           (ii) *whether remanufacturing warheads*  
9 *with existing pits is more desirable than re-*  
10 *manufacturing warheads with newly manu-*  
11 *factured pits;*

12                           (iii) *the number of existing pits suit-*  
13 *able for such remanufacturing;*

14                           (iv) *whether proceeding to remanufac-*  
15 *ture warheads with existing pits before re-*  
16 *manufacturing warheads with newly manu-*  
17 *factured pits is desirable; and*

18                           (v) *the extent to which remanufac-*  
19 *turing warheads with existing pits, as com-*  
20 *pared to remanufacturing warheads with*  
21 *newly manufactured pits, would reduce fu-*  
22 *ture requirements for new pit production,*  
23 *and how such use of existing pits would af-*  
24 *fect the schedule and scope for new pit pro-*  
25 *duction; and*



1 *of the workforce providing protective forces at the nuclear*  
2 *weapons complex.*

3 (b) *REPORT.*—*Not later than March 1, 2008, the Ad-*  
4 *ministrator for Nuclear Security shall submit to the con-*  
5 *gressional defense committees a report on the results of the*  
6 *study. The report shall include the following:*

7 (1) *An assessment of whether the incentives in-*  
8 *herent in the use of contractors to provide protective*  
9 *forces increase or decrease the risk that such protective*  
10 *forces will be substandard.*

11 (2) *Assessments of the feasibility, costs, benefits,*  
12 *and implications of having protective forces at the*  
13 *nuclear weapons complex be provided by a workforce*  
14 *comprised—*

15 (A) *only of contractor employees;*

16 (B) *only of Federal employees;*

17 (C) *of both contractor employees and Fed-*  
18 *eral employees; and*

19 (D) *in any other manner that the Adminis-*  
20 *trator considers appropriate for assessment*  
21 *under this paragraph.*

22 **SEC. 3113. REPORT ON RETIREMENT AND DISMANTLEMENT**  
23 **OF NUCLEAR WARHEADS.**

24 *Not later than February 1, 2008, the Administrator*  
25 *for Nuclear Security, in consultation with the Nuclear*

1 *Weapons Council, shall submit to the congressional defense*  
2 *committees a report on the retirement and dismantlement*  
3 *of the nuclear warheads that are not part of the enduring*  
4 *stockpile but that have not yet been retired or dismantled.*  
5 *The report shall include the following:*

6           (1) *The existing plan and schedule for retiring*  
7 *and dismantling those warheads.*

8           (2) *An assessment of the capacity of the Pantex*  
9 *and Y-12 plants to accommodate an accelerated*  
10 *schedule for retiring and dismantling those warheads.*

11           (3) *An assessment of the feasibility of imple-*  
12 *menting such an accelerated schedule.*

13 **SEC. 3114. ASSESSMENT OF SECURITY RISKS POSED TO NU-**  
14 **CLEAR WEAPONS COMPLEX.**

15           (a) *ASSESSMENTS REQUIRED.*—*The Administrator for*  
16 *Nuclear Security shall conduct an assessment of—*

17           (1) *the physical security risks, and the cyber se-*  
18 *curity risks, posed to the nuclear weapons complex;*  
19 *and*

20           (2) *the security technologies employed within the*  
21 *nuclear weapons complex.*

22           (b) *REPORT REQUIRED.*—*Not later than February 1,*  
23 *2008, the Administrator shall submit to the congressional*  
24 *defense committees a report on the assessments conducted*  
25 *under subsection (a). The report shall include—*

1           (1) for each site within the nuclear weapons  
2 complex, a description of the security technologies em-  
3 ployed at the site and, for each such technology, the  
4 age and maintenance status of the technology;

5           (2) a description of the methods used by the De-  
6 partment of Energy to establish priorities among in-  
7 vestments in physical and cyber security programs  
8 and activities; and

9           (3) a multi-year plan for the lifecycle mainte-  
10 nance (and replacement) of the security technologies  
11 employed within the nuclear weapons complex.

12 **SEC. 3115. DEPARTMENT OF ENERGY REPORT ON PLAN TO**  
13 **STRENGTHEN AND EXPAND INTERNATIONAL**  
14 **RADIOLOGICAL THREAT REDUCTION PRO-**  
15 **GRAM.**

16           Not later than 60 days after the date of the enactment  
17 of this Act, the Secretary of Energy shall submit to Congress  
18 a report that sets forth a specific plan for strengthening  
19 and expanding the Department of Energy International  
20 Radiological Threat Reduction (IRTR) program within the  
21 Global Threat Reduction Initiative. The plan shall address  
22 concerns raised and recommendations made by the Govern-  
23 ment Accountability Office in its report of March 13, 2007,  
24 titled “Focusing on the Highest Priority Radiological  
25 Sources Could Improve DOE’s Efforts to Secure Sources in

1 *Foreign Countries*”, and shall specifically include actions  
2 to—

3           (1) *improve the Department’s coordination with*  
4 *the Department of State and the Nuclear Regulatory*  
5 *Commission;*

6           (2) *improve information-sharing between the De-*  
7 *partment and the International Atomic Energy Agen-*  
8 *cy;*

9           (3) *with respect to hospitals and clinics con-*  
10 *taining radiological sources that receive security up-*  
11 *grades, give highest priority to those determined to be*  
12 *the highest risk;*

13           (4) *accelerate efforts to remove as many radioiso-*  
14 *tope thermoelectric generators (RTGs) in the Russian*  
15 *Federation as practicable;*

16           (5) *develop a long-term sustainability plan for*  
17 *security upgrades that includes, among other things,*  
18 *future resources required to implement such a plan;*  
19 *and*

20           (6) *develop a long-term operational plan that*  
21 *steadily increases funding for the IRTR program and*  
22 *ensures sufficient funding to identify, recover, and se-*  
23 *cure all vulnerable high-risk radiological sources*  
24 *worldwide as quickly and effectively as possible.*

1 **SEC. 3116. DEPARTMENT OF ENERGY REPORT ON PLAN TO**  
2 **STRENGTHEN AND EXPAND MATERIALS PRO-**  
3 **TECTION, CONTROL, AND ACCOUNTING PRO-**  
4 **GRAM.**

5 *Not later than 60 days after the date of the enactment*  
6 *of this Act, the Secretary of Energy shall submit to Congress*  
7 *a specific plan for strengthening and expanding the Depart-*  
8 *ment of Energy Materials Protection, Control, and Account-*  
9 *ing (MPC&A) program. The plan shall address concerns*  
10 *raised and recommendations made by the Government Ac-*  
11 *countability Office in its report of February 2007, titled*  
12 *“Progress Made in Improving Security at Russian Nuclear*  
13 *Sites, but the Long-Term Sustainability of U.S. Funded Se-*  
14 *curity Upgrades is Uncertain”, and shall specifically in-*  
15 *clude actions to—*

16 *(1) strengthen program management and the ef-*  
17 *fectiveness of the Department’s efforts to improve secu-*  
18 *rity at weapons-usable nuclear material and warhead*  
19 *sites in the Russian Federation and other countries*  
20 *by—*

21 *(A) revising the metrics used to measure*  
22 *MPC&A program progress to better reflect the*  
23 *level of security upgrade completion at buildings*  
24 *reported as “secure”;*

25 *(B) actively working with Russia and other*  
26 *countries, in coordination with and with the*

1           *concurrence of the Secretary of State, to develop*  
2           *an access plan for each country; and*

3           (C) *developing a management information*  
4           *system to track the Department's progress in*  
5           *providing Russia with a sustainable MPC&A*  
6           *system by 2013; and*

7           (2) *develop a long-term operational plan that*  
8           *steadily increases funding for the MPC&A program,*  
9           *including for National Programs and Sustainability,*  
10          *and ensures sufficient funding to secure all weapons-*  
11          *usable nuclear material and warhead sites as quickly*  
12          *and effectively as possible.*

13 **SEC. 3117. AUTHORITY TO USE INTERNATIONAL NUCLEAR**  
14                   **MATERIALS PROTECTION AND COOPERATION**  
15                   **PROGRAM FUNDS OUTSIDE THE FORMER SO-**  
16                   **VIET UNION.**

17          (a) *MODIFICATION OF CERTIFICATION REQUIRE-*  
18          *MENT.—Section 3124 of the National Defense Authorization*  
19          *Act for Fiscal Year 2004 (Public Law 108-136; 117 Stat.*  
20          *1747) is amended in subsection (a)—*

21                  (1) *by striking “the President may” and insert-*  
22                  *ing “the Secretary of Energy may”; and*

23                  (2) *by striking “if the President” and inserting*  
24                  *“if the Secretary of Energy, with the concurrence of*  
25                  *the Secretary of State,”.*

1           (b) *REPEAL OF FUNDING LIMITATION.*—Section 3124  
2 *of that Act is further amended by striking subsection (c).*

3           (c) *CONGRESSIONAL NOTICE REQUIREMENT.*—Section  
4 *3124 of that Act is further amended in subsection (d)—*

5                 (1) *in pararaph (1)—*

6                     (A) *by striking “The President may not”*  
7 *and inserting “The Secretary of Energy may*  
8 *not”; and*

9                     (B) *by striking “until the President” and*  
10 *inserting “until the Secretary of Energy”;*

11                 (2) *in paragraph (2)—*

12                     (A) *by striking “Not later than 10 days*  
13 *after” and inserting “Not later than 15 days*  
14 *prior to”;*

15                     (B) *by striking “the President shall” and*  
16 *inserting “the Secretary of Energy shall”; and*

17                     (C) *by striking “Congress” and inserting*  
18 *“the Committee on Armed Services and the Com-*  
19 *mittee on Foreign Affairs of the House of Rep-*  
20 *resentatives and the Committee on Armed Serv-*  
21 *ices and Committee on Foreign Relations of the*  
22 *Senate”; and*

23                 (3) *by adding at the end the following:*

24                     “(3) *In the case of a situation that threatens human*  
25 *life or safety or where a delay would severely undermine*

1 *the national security of the United States, notification*  
2 *under paragraph (2) shall be made not later than 10 days*  
3 *after obligating funds under the authority in subsection (a)*  
4 *for a project or activity.”.*

5 **SEC. 3118. INCREASED AUTHORITY FOR OMBUDSMAN**  
6 **UNDER ENERGY EMPLOYEES OCCUPATIONAL**  
7 **ILLNESS COMPENSATION PROGRAM.**

8 *Section 3686 of the Energy Employees Occupational*  
9 *Illness Compensation Program Act of 2000 (42 U.S.C.*  
10 *7385s-15) is amended—*

11 *(1) by amending subsection (c) to read as fol-*  
12 *lows:*

13 *“(c) DUTIES.—The duties of the Office shall be as fol-*  
14 *lows:*

15 *“(1) To assist individuals in making claims*  
16 *under this title.*

17 *“(2) To provide information on the benefits*  
18 *available under this title and on the requirements and*  
19 *procedures applicable to the provision of such benefits.*

20 *“(3) To act as an advocate on behalf of individ-*  
21 *uals seeking benefits under this title.*

22 *“(4) To make recommendations to the Secretary*  
23 *regarding the location of centers (to be known as ‘re-*  
24 *source centers’) for the acceptance and development of*  
25 *claims for benefits under this title.*

1           “(5) To carry out such other duties as the Sec-  
2           retary shall specify.”; and

3           (2) by striking subsection (g) (establishing a sun-  
4           set date) and inserting the following:

5           “(g) *CONTRACT AUTHORITY.*—The Ombudsman shall  
6           have authority to contract for the services of individuals  
7           with expertise in relevant disciplines, including health  
8           physics, medicine, industrial hygiene, and toxicology, as the  
9           Ombudsman may from time to time consider appropriate.

10          “(h) *FUNDING.*—Effective for appropriations made for  
11          fiscal year 2008 and each fiscal year thereafter, and not-  
12          withstanding section 3684 or any other provision of this  
13          title, or section 151 of Division B of the Miscellaneous Ap-  
14          propriations Act, 2001 (as enacted into law by the Consoli-  
15          dated Appropriations Act, 2001 (Public Law 106-554; 114  
16          Stat. 2763A-251)), this section shall not be carried out with  
17          direct spending under this title. Instead, no funds shall be  
18          obligated for the purpose of carrying out this section except  
19          funds appropriated specifically for the purpose of carrying  
20          out this section in appropriations Acts enacted after the  
21          date of the enactment of this subsection. There are author-  
22          ized to be appropriated such sums as may be necessary to  
23          carry out this section for fiscal year 2008 and each fiscal  
24          year thereafter.”.

1 **TITLE XXXII—DEFENSE NU-**  
 2 **CLEAR FACILITIES SAFETY**  
 3 **BOARD**

*Sec. 3201. Authorization.*

4 **SEC. 3201. AUTHORIZATION.**

5 *There are authorized to be appropriated for fiscal year*  
 6 *2008, \$22,499,000 for the operation of the Defense Nuclear*  
 7 *Facilities Safety Board under chapter 21 of the Atomic En-*  
 8 *ergy Act of 1954 (42 U.S.C. 2286 et seq.).*

9 **TITLE XXXIII—NATIONAL**  
 10 **DEFENSE STOCKPILE**

*Sec. 3301. Authorized uses of National Defense Stockpile funds.*

*Sec. 3302. Revisions to required receipt objectives for previously authorized dis-*  
*posals from the national defense stockpile.*

11 **SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE**  
 12 **STOCKPILE FUNDS.**

13 *(a) OBLIGATION OF STOCKPILE FUNDS.—During fis-*  
 14 *cal year 2008, the National Defense Stockpile Manager may*  
 15 *obligate up to \$44,825,000 of the funds in the National De-*  
 16 *fense Stockpile Transaction Fund established under sub-*  
 17 *section (a) of section 9 of the Strategic and Critical Mate-*  
 18 *rials Stock Piling Act (50 U.S.C. 98h) for the authorized*  
 19 *uses of such funds under subsection (b)(2) of such section,*  
 20 *including the disposal of hazardous materials that are envi-*  
 21 *ronmentally sensitive.*

1           (b) *ADDITIONAL OBLIGATIONS.*—*The National Defense*  
2 *Stockpile Manager may obligate amounts in excess of the*  
3 *amount specified in subsection (a) if the National Defense*  
4 *Stockpile Manager notifies Congress that extraordinary or*  
5 *emergency conditions necessitate the additional obligations.*  
6 *The National Defense Stockpile Manager may make the ad-*  
7 *ditional obligations described in the notification after the*  
8 *end of the 45-day period beginning on the date on which*  
9 *Congress receives the notification.*

10          (c) *LIMITATIONS.*—*The authorities provided by this*  
11 *section shall be subject to such limitations as may be pro-*  
12 *vided in appropriations Acts.*

13 **SEC. 3302. REVISIONS TO REQUIRED RECEIPT OBJECTIVES**  
14                                   **FOR PREVIOUSLY AUTHORIZED DISPOSALS**  
15                                   **FROM THE NATIONAL DEFENSE STOCKPILE.**

16          (a) *FISCAL YEAR 2000 DISPOSAL AUTHORITY.*—*Sec-*  
17 *tion 3402(b) of the National Defense Authorization Act for*  
18 *Fiscal Year 2000 (50 U.S.C. 98d note), as amended by sec-*  
19 *tion 3302 of the National Defense Authorization Act for Fis-*  
20 *cal Year 2004 (Public Law 108-136; 117 Stat. 1788) and*  
21 *section 3302 of the National Defense Authorization Act for*  
22 *Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3545),*  
23 *is amended by striking “\$600,000,000 before” in paragraph*  
24 *(5) and inserting “\$730,000,000 by”.*

1           (b) *FISCAL YEAR 1999 DISPOSAL AUTHORITY.*—*Sec-*  
2 *tion 3303(a) of the Strom Thurmond National Defense Au-*  
3 *thorization Act for Fiscal Year 1999 (Public Law 105-261;*  
4 *50 U.S.C. 98d note), as amended by section 3302 of the*  
5 *Ronald W. Reagan National Defense Authorization Act for*  
6 *Year 2005 (Public Law 108-375; 118 Stat. 2193), section*  
7 *3302 of the National Defense Authorization Act for Fiscal*  
8 *Year 2006 (Public Law 109-163; 119 Stat. 3545), and sec-*  
9 *tion 3302(a) of the John Warner National Defense Author-*  
10 *ization Act for Fiscal Year 2007 (Public Law 109-364; 120*  
11 *Stat. 2513), is amended by striking “\$1,016,000,000 by the*  
12 *end of fiscal year 2014” in paragraph (7) and inserting*  
13 *“\$1,469,102,000 by the end of fiscal year 2015”.*

14                           **TITLE XXXIV—NAVAL**  
15                           **PETROLEUM RESERVES**

*Sec. 3401. Authorization of appropriations.*

16   **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

17           (a) *AMOUNT.*—*There are hereby authorized to be ap-*  
18 *propriated to the Secretary of Energy \$17,301,000 for fiscal*  
19 *year 2008 for the purpose of carrying out activities under*  
20 *chapter 641 of title 10, United States Code, relating to the*  
21 *naval petroleum reserves.*

22           (b) *PERIOD OF AVAILABILITY.*—*Funds appropriated*  
23 *pursuant to the authorization of appropriations in sub-*  
24 *section (a) shall remain available until expended.*

1                   **TITLE XXXV—MARITIME**  
2                   **ADMINISTRATION**

*Sec. 3501. Authorization of appropriations for fiscal year 2008.*

*Sec. 3502. Temporary authority to transfer obsolete combatant vessels to Navy for disposal.*

3   **SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FIS-**  
4                   **CAL YEAR 2008.**

5           *Funds are hereby authorized to be appropriated for fis-*  
6 *cal year 2008, to be available without fiscal year limitation*  
7 *if so provided in appropriations Acts, for the use of the De-*  
8 *partment of Transportation for the Maritime Administra-*  
9 *tion as follows:*

10                   (1) *For expenses necessary for operations and*  
11 *training activities, \$115,276,000, of which—*

12                           (A) *\$13,850,000 shall remain available*  
13 *until expended for capital improvements at the*  
14 *United States Merchant Marine Academy; and*

15                           (B) *\$8,218,000 shall remain available until*  
16 *expended for maintenance and repair of school*  
17 *ships at the State Maritime Academies.*

18                   (2) *For expenses to dispose of obsolete vessels in*  
19 *the National Defense Reserve Fleet, including provi-*  
20 *sion of assistance under section 7 of Public Law 92-*  
21 *402, \$20,000,000.*

1 **SEC. 3502. TEMPORARY AUTHORITY TO TRANSFER OBSO-**  
2 **LETE COMBATANT VESSELS TO NAVY FOR**  
3 **DISPOSAL.**

4 *The Secretary of Transportation shall, subject to the*  
5 *availability of appropriations and consistent with section*  
6 *1535 of title 31, United States Code, popularly known as*  
7 *the Economy Act, transfer to the Secretary of the Navy dur-*  
8 *ing fiscal year 2008 for disposal by the Navy, no fewer than*  
9 *3 combatant vessels in the nonretention fleet of the Maritime*  
10 *Administration that are acceptable to the Secretary of the*  
11 *Navy.*

Amend the title so as to read: “A bill to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.”.

Union Calendar No. 86

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 1585**

[Report No. 110-146]

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**A BILL**

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes.

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MAY 11, 2007

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed